

HERMAN KIEFER DEVELOPMENT COMMUNITY BENEFITS REPORT

CITY OF DETROIT

PLANNING AND DEVELOPMENT DEPARTMENT

MAURICE COX - DIRECTOR OF PLANNING

R. STEVEN LEWIS - CENTRAL DISTRICT PLANNING DIRECTOR`



This Page Intentionally Left Blank

TABLE OF CONTENTS

SECTION	DESCRIPTION	PAGE NUMBER
I	INTRODUCTION	5
П	COMMUNITY BENEFITS ORDINANCE	7
Ш	PUBLIC NOTICE AND IMPACT AREA	9
	NEIGHBORHOOD ADVISORY COUNCIL (NAC)/	
IV	DEVELOPER/ CITY OFFICIALS	11
V	MEETINGS	13
	NAC PROPOSED COMMUNITY BENEFITS AND DEVELOPER	
VI	RESPONSE	17

APPENDIX		
	COMMUNITY BENEFITS ORDINANCE, DETROIT LEGAL	
Α	NEWS, NOVEMBER 29, 2016	ATTACHMENT
В	OBSOLETE PROPERTY REHABILITATION ACT	ATTACHMENT
С	CBO MAP, CENSUS TRACT AND IMPACT ZONE	ATTACHMENT
D	PROJECT DESCRIPTION TO CITY COUNCIL, APRIL 25, 2017	ATTACHMENT
E	CBO PUBLIC NOTICE – FEBRUARY 27, 2017	ATTACHMENT
F	COMMUNITY FORUM #1, FLIER, MARCH 9, 2017	ATTACHMENT
	COMMUNITY FORUM #1, PRESENTATION EXCERPT –	
G	HERMAN KIEFER UPDATE & NAC, MARCH 9, 2017	ATTACHMENT
Н	CBO NAC MEETING #1, PRESENTATION, APRIL 5, 2017	ATTACHMENT
1	CBO NAC MEETING #2, PRESENTATION, APRIL 18, 2017	ATTACHMENT
J	CBO NAC MEETING #3, PRESENTATION, MAY 3, 2017	ATTACHMENT
	CBO NAC LIST "Community Demands from Herman Kiefer	
K	Developer", MAY 11, 2017	ATTACHMENT
	CBO NAC LIST "List of Concerns – City of Detroit and or	
L	Developer", MAY 17, 2017	ATTACHMENT

This Page Intentionally Left Blank

I. INTRODUCTION

The City of Detroit is working with Herman Kiefer Development LLC (HKD), a development group led by New York-based Studio Castellano (development team), to save, rehabilitate and adaptively reuse the Herman Kiefer Hospital complex and two surrounding former Detroit Public Schools buildings (HK Site), and to stabilize and revitalize the surrounding neighborhood. HKD has received City Council approval for the land transfers, necessary rezoning and a master plan amendment. After receiving City Council approval of their Brownfield Plan and Obsolete Property Rehabilitation Act (OPRA) District¹, HKD will acquire the property for \$925,000, secure, maintain, and weatherproof the buildings, clean and maintain the open space on the site, and restore the existing ball fields and courts. The development team will also program an initial slate of events to begin activating the site.

Between years 1 through 5, HKD will invest a minimum of \$1 million / year to secure and rehabilitate the buildings and develop the site and between years 6-8, a minimum of \$2 million / year will be invested. By year 5, HKD will have activated at least 35% of the site or invested a total of at least \$20 million. By year 8, the development team will have activated at least 80% of the site or invested a total of at least \$75 million.

In addition to the HK Site, HKD has agreed to address concerns about the large-scale blight and abandonment that has occurred in the surrounding neighborhood (Impact Area). HKD has committed to boarding and securing approximately 100 vacant DLBA-owned homes as well as landscaping and maintaining DLBA-owned vacant lots in the quarter-square area shown graphically bounded on page 11, Figure 1². HKD will have an 18-month option to purchase the vacant structures they board and secure if they commit to rehabilitating them within 18 months. 20% of the homes rehabilitated by HKD must be developed in partnership with a non-profit organization or local community partner. HKD will have the option to purchase the vacant lots and vacant structures in the area each if they commit to continued maintenance. HKD has also agreed to work collaboratively with the City's Planning & Development Department (PDD) to create and implement a land stewardship plan for the open spaces in the neighborhood and partner with the City's Housing & Revitalization Department (HRD) to create strategies focused on ensuring affordability and non-displacement in the neighborhood.

HKD began community engagement efforts before the Community Benefits Ordinance process began to help inform the future mix of uses that will take place on the site, and to involve the community in the redevelopment process. After closing, HKD will begin

¹ See Appendix B, Obsolete Property Rehabilitation Act (OPRA)

² See also Appendix C, CBO Map

sourcing potential tenants and begin the pre-engineering and architectural work necessary to restore the buildings. Additionally, HKD has committed to work with the City to maximize construction and post- construction employment opportunities for local neighborhood and Detroit residents, and has committed to comply with the City's executive orders related to local hiring and contracting.

Because HKD is applying for an OPRA tax abatement and the total development investment is expected to exceed \$75 million, the project qualifies as a 'Tier 1 Project' under the Community Benefits Ordinance. Consequently, HKD is following the community engagement requirements associated with the Ordinance.

II. COMMUNITY BENEFITS ORDINANCE – TIER 1 SUBMISSION OF CBO REPORT

Community Benefits Ordinance and Neighborhood Advisory Council Process³

- 1) A project is identified as a Tier I project, having a minimum development cost of \$75,000,000 with public investment in the following forms:
 - a. Transfer of land to the developer of City-owned land parcels that have a cumulative market value of \$1,000,000 or more as determined by the city assessor or independent appraisal, without open bidding and priced below market rates (where allowed by law); or
 - b. Provision or approval by the City of tax abatements or other tax breaks that abate more than \$1,000,000 of city taxes over the term of the abatement that inure directly to the developer; but not including Neighborhood Enterprise Zone tax abatements.
- 2) The Director of Planning, or their representative, will schedule a meeting within a defined impact area adjacent to the project within 300 feet; or as defined by the Planning Department to achieve critical mass.
 - a. A representative of the Legislative Policy Division is appointed by City Council to monitor a project's CBO process.⁴
 - b. Public Notice of the of the first meeting is issued through the City Clerk's office at least ten (10) days ahead of the scheduled meeting to residents within the impact area in which the project is designated.
 - c. Notice is also given to the Legislative Policy Division, District Council Member, and the At-Large Council Members for community outreach and notification.
 - d. The Notice includes: general description of the project and its location, time, date, and location of the public meeting.
- 3) The Neighborhood Advisory Council consists of nine (9) members, elected and appointed, chosen to identify impacts of a project on a community and seek ways to address them with the developer.
 - a. Two (2) NAC members are elected at the first public meeting.
 - b. One (1) is nominated by the District Council Member
 - c. One (1) each is nominated by the two (2) At-Large Council Members
 - d. Four (4) are nominated by the Planning & Development Department
 - e. All members of the NAC, elected and appointed are subject to verification of address with the designated impact area.

³ See APPENDIX A - Ordinance 35-16, The Detroit Legal News, Tuesday, November 29, 2017

⁴ George Etheridge was named the LPD representative for the Herman Kiefer Development CBO process by City Council.

- 4) The Director of Planning facilitates at least one meeting between the NAC and the developer to allow more details about the project to be presented to the NAC and to have the developer more aware of the concerns raised by the NAC.
 - a. If more meetings are required, the city council, by 2/3 vote of members present or the planning director may hold additional meetings with the NAC and the developer.
 - b. The developer shall be required to meet as directed.
- 5) The Director of Planning issues a report to City Council describing the process of the CBO and how the developer will mitigate the concerns of the NAC. The intent is to have a report completed within six (6) weeks of public notice of the initial meeting, unless circumstances warrant otherwise, to expedite the community engagement process. The report will contain the following:
 - a. Information on how notice was provided to the public
 - b. List of NAC members and their selection/ or election
 - c. Method of addressing each of the concerns by the NAC presented to the developer, or which concerns were not addressed.

III. PUBLIC NOTICE AND IMPACT AREA

The first Community Benefits Ordinance public meeting for the Herman Kiefer Development was held on March 9, 2017 at the William Walker Recreation Center on Rosa Parks Blvd. *Public Notice* of this meeting (as required by law) was mailed out to neighbors by the City Clerk's office on February 27, 2017, via a flyer developed in the Planning & Development Department⁵. There was also assistance in community outreach from the Department of Neighborhoods, office of District 5 Council Member Mary Sheffield, Council President Brenda jones, and At-Large Council Member Janee Ayers. Public Notice reached approximately 520 households. One hundred-eighty (180) individuals were recorded as attending the first meeting. Forty-three (43) residents present were recorded living in the impact area. Attendees were notified that subsequent NAC meetings would be announced via email and through their Neighborhood Advisory Council (NAC) once their selection was finalized.

The Planning and Development Department (PDD) also sent notice of this meeting via social media, email lists and with the assistance of a consultant and Department of Neighborhoods staff who flyered homes⁶ within the impact area. PDD also launched a CBO website; the link is as follows:

http://www.detroitmi.gov/Government/Departments-and-Agencies/Planning-and-Development-Department/Community-Benefits-Ordinance

⁵ See Appendix E – Public Notice

⁶ See Appendix F – Community Forum Flier

Impact Area

Impact Area Boundaries: The east-west alley first north of Clairmount to the north, approximately the first 450 feet east of the John C Lodge north bound service drive south to the east-west alley first south of Clairmount Avenue, inclusive of approximately the first 160 feet east of the John C Lodge north bound service drive to the east, the east-west alley first south of Virginia Park Street to the south, and first parcels west of Rosa Parks Blvd. to the west.

Census Tracts- Full: 5327

Census Tracts- Partial: 5312, 5323, 5331, 5324, 5330, 5326, 5339



FIGURE 1 - IMPACT AREA AND HERMAN KIEFER SITE

IV. NEIGHBORHOOD ADVISORY COUNCIL/ DEVELOPER/ CITY OFFICIALS

Neighborhood Advisory Council

NAME	ELECTED/ APPOINTED	DATE
George Adams	Elected By Impact Area Residents	March 9, 2017
Kathy Blake	Elected By Impact Area Residents	March 9, 2017
Dr. Althea Armstrong	Appointed by Dist. 5 CM Mary Sheffield	April 5, 2017
Sharon Calmese	Appointed by At-Large CM Janeé Ayers	March 28, 2017
Marquita Reese	Appointed by CP Brenda Jones	March 31, 2017
Renee Gunn	Appointed by PDD Dir. Maurice Cox	March 28, 2017
Lorenzo Jones	Appointed by PDD Dir. Maurice Cox	March 28, 2017
Raymond Thomas	Appointed by PDD Dir. Maurice Cox	March 28, 2017
Marquisha Booker	Appointed by PDD Dir. Maurice Cox	March 28, 2017

Development Team

Herman Kiefer Development Representatives: Ron Castellano, Hazel Balaban

City of Detroit Officials

Planning and Development Department: Maurice D. Cox, R. Steven Lewis, Daniel Rieden **Housing and Revitalization Department:** Arthur Jemison, Donald Rencher, Katrina Chaves

Jobs and Economy Team: Jed Howbert, David Williams

Department of Neighborhoods: Vince Keenan, Kya Robertson

Legislative Policy Division Representative: George A. Etheridge

City Council: Mary Sheffield – District 5 Council Member

Janeé Ayers – At-Large Council Member

Brenda Jones - Council President

This Page Intentionally Left Blank

V. MEETINGS

March 9, 2017

The first meeting of the CBO process was held at Joseph Walker Williams Recreation Center on Rosa Parks Blvd and attended by 180 individuals, of which forty-three residents live inside the Impact Area. The purpose of this meeting was: 1) To present the Herman Kiefer development and Rosa Parks Clairmount Study project to the public; 2) To elect two (2) NAC members; 3) To get feedback from the general public on impacts of the project in their neighborhood.

- 1) R. Steven Lewis from PDD opened the meeting with introductions of the development team and staff.
- 2) District 5 CM Mary Sheffield provided an introduction and gave remarks.
- 3) HKD presented project information.
- 4) DON District 5 Manager, Vince Keenan gave an overview of the NAC election process.
- 5) R. Steven Lewis and DON District 5 Manager, Vince Keenan, opened the presentation⁷ of the proposed new project and potential issues, the creation of the impact area and how the election was to be conducted.
- 6) A consultant team conducted a presentation of the Rosa Parks Clairmount Study Area and facilitated a community engagement workshop.

Election of Neighborhood Advisory Council (NAC) Members

Green, Orange, and Yellow cards were distributed amongst the gathered room. Green cards were given to all residents in attendance. Orange cards were given to residents living inside the Rosa Parks Clairmount Study area. Yellow Cards were given to residents living inside of the impact area.

Residents living in the impact area were encouraged to nominate themselves to serve on the NAC. Each candidate was required to provide proof of residence in the impact area, as well as present the case for their candidacy to serve on the council. Their names are as follows:

George Adams, Dr. Althea Armstrong, Kathy Blake, Reginald Blake, Marquisha Booker, Sharon Calmese, Jake Clay, Renee Gunn, Mark Hall, Lorenzo Jones, Marquita Reese, Raymond Thomas

Votes were tallied from the residents living in the defined impact area. **George Adams** and **Kathy Blake** received the highest number of votes respectively, and thus elected to serve on the Neighborhood Advisory Council.

After the election, all names listed above that were not elected were entered in a pool of those who were considered for appointment.

City of Detroit: Planning & Development Department – June 6, 2017

⁷ See Appendix G, Presentation Excerpt

April 5, 2017

The second meeting of the CBO process, and the first NAC meeting as a whole, was held at the Joseph Walker Williams Recreation Center on Rosa Parks Blvd from 5-7pm. The purpose of this meeting was: 1) An introduction to, and seating of the full NAC (Raymond Thomas was the only NAC member absent due to a work conflict); 2) To present the project to board members and the general public from the impact area who may not have been at the first meeting; and (3) For the developer to gather feedback from the NAC and the community on project impacts. An agenda was prepared and distributed to NAC members, the public, and the respective offices of City Council members. Officially, thirty-four people signed the sign-in-sheet; however, the attendance was greater.

- 1) R. Steven Lewis (PDD) opened the meeting to announce the order of presentation, and acknowledge the representative City Council members.
- 2) PDD presented the newly seated NAC and information packet including the agenda, meeting notice, slide show presentation, and a copy of the Community Benefits Ordinance.
- 3) Ron Castellano presented the Herman Kiefer development activities, along with an overview of the community engagement the HK team has participated in during the last two years.
- 4) Dan Rieden (PDD) and Vince Keenan (DON) presented an overview of the CBO and the roles and responsibility of NAC members; as well as future meetings to come. The meeting listed for April 18th was considered optional should the NAC require another meeting.⁸

The NAC and community members raised concerns related to the development and general concerns related to the neighborhood but not specifically to the development. Issues raised are captured in Section F: NAC Proposed Community Benefits and Developer Response.

April 18, 2017

The third meeting of the CBO process, the second NAC meeting as a whole, was held at the Joseph Walker Williams Recreation Center on Rosa Parks Blvd from 5-7pm. There was a posting of the event on the PDD's CBO website to note time, place, and day of this event to the public. The NAC and City Council were charged to inform their respective constituencies.

The purpose of this meeting was: 1) To present the Brownfields and OPRA process to the NAC; and 2) To review the CBO issues listed to date with the NAC. An agenda and presentation were prepared and hard copies distributed to NAC members, the public, and the respective offices of City Council members. Officially, 30 people signed the sign-in sheet, although in observance there were more people present, including City staff, City Council staff, and Council Member

⁸ See Appendix H – April 5, 2017 Presentation

Sheffield. The following NAC members were present for all of the presentation: George Adams, Dr. Althea Armstrong, Sharon Calmese, Renee Gunn, Lorenzo Jones, and Marquita Reese.

There was a departure from the prepared agenda⁹ to discuss the NAC's role going forward in the CBO process and a historical account of the development agreement. Because much of the Brownfields and OPRA process was not yet covered by meeting's end, another NAC meeting was determined to be needed to cover this topic.

The NAC, community, and the City Council members present raised several issues – some directly related to the impact of the facility; and some that were not directly related, but based on general neighborhood concerns. Following this meeting additional copies of the listed properties included in the developer agreement was sent to the NAC per their request. Issues raised are captured in Section F: NAC Proposed Community Benefits and Developer Response.

May 3, 2017

The fourth meeting of the CBO process and the third NAC meeting as a whole was held at the Joseph Walker Williams Recreation Center on Rosa Parks Blvd from 5:30-8pm. There was a posting of the event on the PDD's CBO website to note time, place, and day of this event to the public. The NAC and City Council were charged to inform their respective constituencies.

The purpose of this meeting was: 1) To present the Brownfields and OPRA process to the NAC; 2) To review the CBO issues listed to date with the NAC. An agenda and presentation were prepared and hard copies distributed to NAC members, the public, and the respective offices of City Council members. Officially, 18 individuals signed the sign-in sheet, although in observance there were more people present, including City staff, City Council staff, and Council Member Sheffield. The following NAC members were present for all of the presentation: George Adams, Kathy Blake, Sharon Calmese, Renee Gunn, and Lorenzo Jones.

Kenyetta Bridges from the Detroit Economic Growth Corporation presented general information on the OPRA and Brownfields programs. Dan Rieden (PDD) presented NAC Member concerns to date in response to comments received¹⁰. The NAC, community, and the City Council members present raised several issues – some directly related to the impact of the facility; and some that were not directly related, but based on precedent development. These issues are captured in Section F: NAC Proposed Community Benefits and Developer Response.

The developer has engaged with PDD to address and mitigate potential negative impacts that the project may have on the community and local residents. As a result of that engagement, the Developer has proposed responses and mitigations to the NAC's requests and PDD has documented those responses and mitigation measures in the following section.

City of Detroit: Planning & Development Department – June 6, 2017

⁹ See Appendix I, CBO NAC Meeting #2, Presentation, April 18th

 $^{^{10}}$ See Appendix J, CBO NAC Meeting #3, Presentation, May 3rd

Additional Meetings and NAC Actions

Several members of the NAC attended the Rosa Parks Clairmount planning meeting on May 11, 2017, at the Walker Williams Recreation Center and distributed a document entitled "Community Demands from Herman Kiefer Developer" to meeting attendees. A revised document, entitled "List of Concerns- City of Detroit and or Developer" was distributed via email by NAC member George Adams to, among others, PDD staff and other NAC members, on May 17, 2017¹². These concerns were incorporated into Section F: NAC Proposed Community Benefits and Developer Response.

The NAC has also met as a group on at least one occasion in a meeting that was not organized by PDD staff. PDD and HKD are planning on continuing the community engagement process as the project moves forward and helping facilitate additional meetings with members of the NAC and community members in general if desired.

¹¹ See Appendix K: CBO NAC List "Community Demands from Herman Kiefer Developer"

¹² See Appendix L: CBO NAC List "List of Concerns – City of Detroit and/or Developer"

VI. NAC PROPOSED COMMUNITY BENEFITS AND DEVELOPER RESPONSE

Local Hiring and Employment

Community Concern	Response
Employment opportunities for local residents	By developing a site primarily focused on attracting and creating commercial uses, HKD intends to create as many job opportunities as possible and hire as locally as possible. In the Development Agreement, HKD is obligated to work with the City to create job opportunities for local residents, both including construction jobs for projects like the skate park, as well as permanent jobs associated with tenants that will be brought on site. HKD is also obligated to abide by the City's Executive Orders that promote and require job opportunities for Detroit residents and contractors. HKD is interested in creating as many opportunities as possible for Detroit-based and minority and women-owned businesses, especially those run by local residents. HKD will also be trying to create and attract tenants that will employ people with "living wages". HKD intends on opening an on-site office that will provide opportunities for individuals to stop in and inquire about employment opportunities. HKD is working with a trade school teacher to develop a skilled trades program in the neighborhood and is working with the City regarding participating in summer youth jobs programs, including Grow Detroit's Young Talent, and re-entry programs to provide job opportunities for returning citizens. HKD is also interested in working with operators and potential tenants interested in leasing space on the site with experience in other training programs, including those that promote entrepreneurship.

Neighborhood Stabilization: Housing and Vacant Land

Community Concern	Response
Promoting neighborhood stabilization and supporting current residents	The City recognizes there is a need to develop more resources and support for existing residents, especially with renovating and maintaining their homes. Through the planning study, the City is exploring solutions to address these issues working in partnership with HKD and other community partners to create a comprehensive neighborhood stabilization and housing strategy that will preserve affordability and retain existing residents while attracting new investment and households.

HKD is obligated to board up vacant DLBA homes and clear vacant DLBA lots in the neighborhood once the transaction closes. HKD has committed to working with HRD and PDD to create a neighborhood land stewardship and housing rehabilitation strategy. HKD and the City are also working with non-profit groups to provide some assistance for private homeowners in the neighborhood that need help with their homes. The City will be working with HKD to leverage the existing 0% Home Loan Program, foreclosure prevention resources, and other assistance programs to support current residents. Additionally, the City and HKD are exploring using a Neighborhood Enterprise Zone, an incentive that would support current homeowners interested in renovating their homes.

Housing affordability

HKD will be working with HRD to create a holistic housing rehabilitation strategy for the neighborhood, and 20% of the homes rehabilitated in the neighborhood must be developed by or in partnership with a community partner. All parties involved are dedicated to making sure that housing options for a range of incomes will be available in the neighborhood and that the planning initiatives support and are beneficial to current residents. The City will work with HKD to determine the appropriate level of subsidy and/or financial incentives needed to promote these initiatives. HKD is also specifically exploring how programs that use rent-to-own models might be utilized in the neighborhood to help retain current residents and create affordable housing opportunities.

Opportunities for local residents to own and maintain property in the area

To promote local ownership, the City and DLBA are encouraging all local residents to purchase their side lots- the lots directly adjacent to the home they occupy- and will continue to make these lots available during the planning process.

Instead of selling property in an ad hoc manner at this time, the City and DLBA are working with the community and HKD to create a holistic housing revitalization and vacant land stewardship plan to promote neighborhood stabilization and revitalization. Under an option agreement with the DLBA, HKD is obligated to board-up and secure the vacant DLBA homes in the neighborhood and maintain the vacant lots and will be responsible for implementing the housing and land stewardship plans. Under the option agreement, at least 20% of the homes rehabbed must be done by or in partnership with a local non-profit or community partner.

Developing the vacant land stewardship plan will also help the City and DLBA create parameters related to any potential land sales and responsibilities for property maintenance. This will ensure that land sale decisions are transparent and fair for all residents and that the land can be used to promote the public good and neighborhood goals: open and recreational space accessible to all,

	the reintroduction of needed housing and commercial amenities, green stormwater infrastructure, sustainable and productive uses, etc.
Property tax increase for current property owners	Neither the Developer nor the City has the general authority to freeze property taxes. Due to state law, property taxes for current residents are capped at the lower of either 5% or the rate of inflation.
Incentives for current landlords	There are not specific incentives available for current individual landlords. Both the City and Developer are interested in better understanding the challenges current homeowners in the neighborhood are facing and how current resources can be best leveraged to address these challenges. During the process of creating the housing rehabilitation strategy, the City and HKD will be exploring different programs and opportunities to ensure the creation and preservation of affordable housing opportunities in the neighborhood.
Property maintenance and beautification	The development of the vacant land stewardship plan will include recommendations for vacant lot/home beautification along with a recommended maintenance program. Per the option agreement, HKD is obligated to board and maintain the vacant DLBA homes and mow and maintain the vacant DLBA-owned land in the neighborhood.

Communication & Information

Community Concern	Response
Transparency and communication	The Brownfield Plan and the development agreement associated with the Herman Kiefer development has been distributed to the NAC and the City Council. Project details, including the list of properties associated with the development agreement and a summary of environmental impact assessments, are included in the document.
	Per the Community Benefits Ordinance, PDD will facilitate at least one meeting with the NAC each year and provide biannual compliance reports. The Developer intends to hold quarterly community meetings and will be opening an on-site office that will be open to the community.

PDD will continue to work to ensure that all public materials related to planning in the neighborhood are culturally sensitive.

Information related to tax capture or abatement related to the OPRA and Brownfield programs is included in the documentation prepared by DEGC for City Council and can be provided to the NAC.

Site Programming

Community Concern	Response
Skate park at Hutchins	HKD is obligated by the Development Agreement to begin activating the site immediately upon closing and bringing buildings back into use throughout the term of the project. The skate park is a temporary use that will help activate a small portion (1/13 th) of the now vacant and stripped Hutchins school building. It is being done in collaboration with a successful Detroit-based non-profit organization already operating in Detroit that plans on providing free skate time to the community and programming for local youth. In addition to this, HKD would like to activate the Hutchins school site and the rest of the buildings with additional uses like those proposed by the community. HKD will be looking for other operating partners and potential tenants interested in the site to help fulfill their activation obligations and plans to use the community engagement process to generate more ideas for programming from neighborhood residents.
Child care facilities	Central Detroit Christian CDC is launching a pre-school and day care center at their new Taylor Street headquarters. HKD would be pleased to include these uses on the Herman Kiefer site if there is a child care operator interested in locating on site.
Tourist-focused destinations on Clairmount	HKD is interested in creating amenities for local community members and not for attractions geared towards tourists. Additionally, Clairmount is currently-zoned residential and would need to be rezoned for high-intensity commercial use of the type that would be likely to attract tourists.
Multipurpose events space: arts and cultural centers, pop-up events/markets/displays,	HKD plans, and is required in the Development Agreement to, hold events and programs to activate the site. HKD is interested in working with community members, organizations, operators, and

year-round multi- purpose first floor space in a building on the Herman Kiefer site.	potential tenants to plan and carry out these events and programs and activate the site.
Restoring Hutchins field, sports courts, gymnasium, and auditorium, and creating athletic opportunities; Providing permanent pocket parks and using Sanders field as an event shell/space.	HKD plans on restoring the Hutchins playfield and is interested in working with organizations and entities interested in activating portions of the building. The land stewardship plan will help determine appropriate land uses on the site and in the neighborhood which may include pocket parks and other temporary or permanent event spaces.

Quality of Life

Community Concern	Response
Protecting and cleaning/maintaining the site Cleaning of alleys to deter criminals	Once the deal closes, HKD will be obligated to take over security of the Herman Kiefer site and to expand security to the Hutchins and Crosman school buildings. They will also be obligated to clean and clear any trash and debris on site along with activating the site with programming and events. Alleys are currently the responsibility of adjacent property owners. PDD will use the planning study to review possible ways to ensure alleys are better maintained. Within 90 days of closing HKD is obligated to board and secure all of the vacant homes owned by the DLBA and maintain all the vacant DLBA-owned lots in the neighborhood.
Security for the site and community programs Wayne State University police	Lighting through the Public Lighting Authority was installed in neighborhoods across the City in a consistent manner to match the national lighting standard. Additional lighting in the neighborhood is not being considered at this time. HKD is considering providing lighting to activate vacant buildings in the neighborhood that they board and secure. HKD will provide private security for the Herman Kiefer site and the Crosman and Hutchins school sites.

	Neither the City nor the Developer currently has any plans to involve the Wayne State police in the Herman Kiefer neighborhood.
Escrow account for repairs local residents, and nuisance abatement in the neighborhood	An escrow account for repairs for private residences for local residents is not directly related to the responsibilities of the developer or impacts of the project and there is currently no plan for such an account.
	To ensure fairness and high standards of property maintenance in the neighborhood, the City will follow its general City-wide policies related to nuisance abatement.

APPENDIX		
	COMMUNITY BENEFITS ORDINANCE, DETROIT LEGAL	
Α	NEWS, NOVEMBER 29, 2016	ATTACHMENT
В	OBSOLETE PROPERTY REHABILITATION ACT	ATTACHMENT
С	CBO MAP, CENSUS TRACT AND IMPACT ZONE	ATTACHMENT
D	PROJECT DESCRIPTION TO CITY COUNCIL, APRIL 25, 2017	ATTACHMENT
E	CBO PUBLIC NOTICE – FEBRUARY 27, 2017	ATTACHMENT
F	COMMUNITY FORUM #1, FLIER, MARCH 9, 2017	ATTACHMENT
	COMMUNITY FORUM #1, PRESENTATION EXCERPT –	
G	HERMAN KIEFER UPDATE & NAC, MARCH 9, 2017	ATTACHMENT
Н	CBO NAC MEETING #1, PRESENTATION, APRIL 5, 2017	ATTACHMENT
I	CBO NAC MEETING #2, PRESENTATION, APRIL 18, 2017	ATTACHMENT
J	CBO NAC MEETING #3, PRESENTATION, MAY 3, 2017	ATTACHMENT
	CBO NAC LIST "Community Demands from Herman Kiefer	
K	Developer", MAY 11, 2017	ATTACHMENT
	CBO NAC LIST "List of Concerns – City of Detroit and or	
L	Developer", MAY 17, 2017	ATTACHMENT

NOTICE OF **ENACTMENT OF ORDINANCE**

To: THE PEOPLE OF DETROIT, MICHIGAN.

Through an initiative submitted by City Council resolution, the people of the City of Detroit adopted the following ordinance at the November 8, 2016 General Elec-

ORDINANCE NO. 35-16 CHAPTER 14. COMMUNITY DEVELOPMENT ARTICLE XII. **COMMUNITY BENEFITS**

IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF DETROIT

Section 1. Chapter 14 of the 1984 Detroit City Code, Community Development, is amended by adding Article XII, Community Benefits, which consists of Sections 14-12-1 through 14-12-5, to read as follows:

CHAPTER 14. **COMMUNITY DEVELOPMENT** ARTICLE XII. **COMMUNITY BENEFITS**

Sec. 14-12-1. Purpose; Title.

- (a) The City is committed to community outreach and engagement that promotes transparency and accountability and ensures development projects in the City of Detroit benefit and promote economic growth and prosperity for all residents.
- (b) This article shall be known as the "Detroit Community Benefits Ordinance." Sec. 14-12-2. Definitions.

Community Benefits Provision means the agreement made by and between the Planning Director and the Developer which specifically addresses the issues raised by the NAC

Enforcement Committee means committee led by the City's Corporation Counsel and composed of representatives from the Planning and Development Department, Law Department, Human Rights Department, and other relevant City departments as determined by the Planning Director.

Impact Area means an area determined by the Planning Director that includes all census tracts or census block groups in which the Tier 1 Project is located, and any other areas as determined by the Planning Director.

NAC means the Neighborhood Advi-

sory Council.

Planning Director means the Director of the City of Detroit's Planning and Development Department, or a member of the Planning Director's staff working on behalf of the Planning Director.

Tier 1 Development Project means a development project in the City that is expected to incur the investment of Seventy-five Million Dollars (\$75,000,000) or more during the construction of facilities, or to begin or expand operations or renovate structures, where the developer of the project is negotiating public support for investment in one or both of the following forms:

(1) Any transfer to the developer of City-owned land parcels that have a cumulative market value of One Million Dollars (\$1,000,000) or more (as determined by the City Assessor or independent appraisal), without open bidding and priced below market rates (where allowed by law); or

(2) Provision or approval by the City of tax abatements or other tax breaks that abate more than One Million Dollars (\$1,000,000) of City taxes over the term of the abatement that inure directly to the Developer, but not including Neighborhood Enterprise Zone tax abatements.

Tier 2 Development Project means a development project in the City that does not qualify as a Tier 1 Project and is expected to incur the investment of Three Million Dollars (\$3,000,000) or more, during the construction of facilities, or to begin or expand operations or renovate structures, where the Developer is negotiating public support for investment in one or both of the following forms:

(1) Land transfers that have a cumulative market value of Three Hundred Thousand Dollars (\$300,000) or more (as determined by the City Assessor or independent appraisal), without open bidding and priced below market rates; or

(2) Tax abatements that abate more than Three Hundred Thousand Dollars (\$300,000) of City taxes over the term of the abatement that inure directly to the Developer, but not including Neighborhood Enterprise Zone tax abatements.

Sec. 14-12-3. Tier 1 Projects.

(a) Community Engagement Process

- for Public Meeting.
 (1) Prior to submitting to City Council a request for approval of Land transfers or Tax abatements related to a Tier 1 Project, the Planning Director shall hold at least one public meeting in the Impact Area as defined in this Section.
- (2) The City Clerk shall forward notice of the public meeting via First Class Mail no less than 10 days before such meeting to all City of Detroit residents within three hundred radial feet of the Tier 1 Project. The notice shall include:
- a. The time, date and location of the public meeting;
- b. General information about the Tier
- c. A description of the Impact Area and the location of the Tier 1 Project;

d. Information related to potential impacts of the Tier 1 Project and possible mitigation strategies; and

- (3) In addition to the notice requirement contained in Subsection (2) of this section, the Planning Director shall work with the District Council Member or Members representing the district or districts where the Tier 1 Project is located and at least one At-large Council Member to ensure that local residents, businesses, and organizations, especially those located in the Impact Area and those expected to be directly impacted by the Tier 1 project are informed of the public meeting.
- (4) At the public meeting, the Planning Director will present general information about the Tier 1 Project, discuss ways in which the Tier 1 Project is anticipated to impact the local community, and ways in which the Developer and the Planning Director plan to address or mitigate these
- (5) City Council shall appoint a liaison from the Legislative Policy Division to monitor the community engagement process and provide updates to the City Council.
- (6) The Planning Director shall provide notice to the liaison of all upcoming meetings and activities associated with the community engagement process related to the Tier 1 Project.

- (b) Neighborhood Advisory Council.
- (1) The Planning Director will accept nominations to the NAC from any person that resides in the Impact Area.
- (2) All residents over the age of 18 that reside in the Impact Area are eligible for nomination.
- (3) The NAC shall consist of nine members, selected as follows:
- a. Two Members selected by residents of the Impact Area chosen from the resident nominated candidates;
- b. Four Members selected by the Planning Director from the resident nominated candidates, with preference given to individuals the Planning Director expects to be directly impacted by the Tier 1 Project:
- c. One Member selected by the Council Member in whose district contains the largest portion of the Impact Area from the resident nominated candidates; and
- d. One Member selected by the At-Large Council Members from the resident nominated candidates.
- (4) If the Planning Director receives less than nine nominations, the Planning Director may seek out additional nominations from individuals that live outside the Impact Area but within the City Council district or districts where the Tier 1 Project is located.
- (5) All actions of the NAC may be taken with the consent of a majority of NAC members serving.

(c) Engagement with Developer.

- (1) In addition to the meeting required in Subsection (a)(1) of this section, the Planning Director shall facilitate at least one meeting between the NAC and the Developer to allow the NAC to learn more details about the project and to provide an opportunity for the NAC to make Developer aware of concerns raised by the NAC.
- (2) City Council by a 2/3 vote of members present or the Planning Director may facilitate additional meetings which the Developer, or the Developer's designee, shall participate in as directed.
- (3) As part of community engagement the developer, or their designee, shall be required to meet as directed.

(d) Community Benefits Report.

- (1) The Planning Director shall provide a Community Benefits Report to City Council regarding the Tier 1 Project prior to the request for any approvals related to the Tier 1 Project.
- (2) The Community Benefits Report shall contain:
- a. A detailed account of how notice was provided to organize the public meet-
- ing.
 b. A list of the NAC members, and how they were selected.
- c. An itemized list of the concerns raised by the NAC.
- d. A method for addressing each of the concerns raised by the NAC, or why a particular concern will not be addressed.
- (3) The Planning Director, where possible, shall provide a copy of the Community Benefits Report to the NAC prior to submission to City Council.
- (4) To ensure an expeditious community engagement process, the Planning Director, where possible, shall submit the initial Community Benefits Report within six weeks from the date the notice is sent of the public meeting.

- (5) The Planning Director shall work with City Council to assure that, to the maximum extent possible, all of the approvals required of City Council may be considered simultaneously and subject to one approval vote.
- (6) The Planning Director shall work with other City departments to facilitate that Tier 1 Projects receive expedited City-required approvals.
 - (e) Development Agreement.
- (1) All development agreements made between the Developer and the City related to the land transfers or tax abatements associated with a Tier 1 Project shall include the Community Benefits Provision, which shall include:
- a. Enforcement mechanisms for failure to adhere to Community Benefits Provision, that may include but are not limited to, clawback of City-provided benefits, revocation of land transfers or land sales, debarment provisions and proportionate penalties and fees; and
- b. The procedure for community members to report violations of the Community Benefits Provision to the NAC.
- c. The length of time that Annual Compliance Reports as outlined in Subsection (f)(2) of this section, are required to be submitted.
- d. Continued community engagement or community meeting requirements.
- (2) The Developer shall not be required to enter into a legally binding agreement with any individual or organization other than the City for the express purpose of fulfilling the requirements of this ordinance or other City-mandated community engagement processes.
- (3) The Developer may voluntarily enter into any contract or agreement related to the Tier 1 Project that does not pose a conflict of interest with the City.
 - (f) Enforcement.
- (1) An Enforcement Committee shall be established to monitor Tier 1 projects.
- a. The Enforcement Committee shall be comprised of, at minimum, the following four individuals:
- i. Corporation Counsel for the City of Detroit; or their designee;
- ii. a representative from the Planning and Development Department;
- iii. a representative from the Law Department;
- iv. a representative from the Human Rights Department.
- b. In addition to the members of the Enforcement Committee as identified in Subsection (1)a of this section, the Planning Director may require that other departments participate in the Enforcement Committee as needed.
- (2) The Enforcement Committee shall provide a biannual compliance report to the City Council and the NAC for the time period identified in the Community Benefits Provision.
- (3) The Planning Director shall facilitate at least one meeting per calendar year between the NAC and the Developer to discuss the status of the Tier 1 Project for the time period identified in the Community Benefits Provision.
- (4) The NAC shall review any allegations of violations of the Community Benefits Provision provided to it by the community, and may report violations to the Enforcement Committee in writing.

- (5) Upon receipt of written notification of allegations of violation from the NAC, the Enforcement Committee shall investigate such allegations and shall present their written findings to the NAC based upon the following:
- a. Whether the Developer is in compliance with the Community Benefits Provision; and
- b. How the Community Benefits Provision will be enforced or how violations will be mitigated.
- (6) The findings of the Enforcement Committee shall be presented to the NAC no later than 21 days from the date the violations were reported to the Enforcement Committee, unless the need for additional time is reported to City Council and the NAC within the original 21 day time frame.
- NAC within the original 21 day time frame. (7) If the NAC disagrees with the findings of the Enforcement Committee or determines that the Enforcement Committee is not diligently pursuing the enforcement or mitigation steps outlined in its findings, the NAC may send notice to the Enforcement Committee, and the Enforcement Committee shall have 14 days from receipt of notice to respond to the concerns outlined.
- (8) If the NAC is not satisfied with the Enforcement Committee's response, the NAC may petition the City Clerk and request that City Council schedule a hearing with opportunity for both the Enforcement Committee and the NAC to present information related to the alleged violations of the Community Benefits Provision and any enforcement or mitigation efforts that have occurred.
- (9) If City Council elects to hold a hearing, or based upon the written information submitted, City Council shall determine whether the Enforcement Committee has made reasonable efforts to ensure that the Developer has complied with the Community Benefits Provision.
- a. If City Council determines that the Enforcement Committee has made reasonable efforts, City Council shall notify the NAC and the Enforcement Committee of their findings.
- b. If City Council finds that the Enforcement Committee has not made reasonable efforts, City Council shall make specific finding to the Enforcement Committee on the steps that need to be taken to comply with the Community Benefits Provision
- i. The Enforcement Committee shall provide City Council and the NAC monthly updates on compliance actions until City Council adopts a resolution declaring that the Developer is in compliance with the Community Benefits Provision or has taken adequate steps to mitigate violations.
- ii. City Council may hold additional hearings related to enforcement of the Community Benefits Provision as needed.

Sec. 14-12-4. Tier 2 Projects.

- (a) Developers shall:
- (1) Partner with the City, and when appropriate, a workforce development agency to promote the hiring, training and employability of Detroit residents consistent with State and Federal Law.
- (2) Partner with the Planning Director to address and mitigate negative impact that the Tier 2 Project may have on the community and local residents.

(b) The Developer's commitment as identified in Subsection (a) of this section shall be included in the development agreements related to any land transfers or tax abatements associated with the Tier 2 Project for which the Developer seeks approval.

Section 14-12-5. Exemptions.

The requirements of this ordinance may be waived by resolution of the City Council upon submission by either the Planning Director or the Developer identifying reasons that the requirements of this ordinance are impractical or infeasible and identifying how the Developer will otherwise provide community benefits.

Section 2. All ordinances, or parts of ordinances, that conflict with this ordinance are repealed.

Section 3. This ordinance is declared necessary for the preservation of the public peace, health, safety, and welfare of the People of the City of Detroit.

Section 4. The article added by this ordinance has been enacted as comprehensive local legislation. It is intended to be the sole and exclusive law regarding its subject matter, subject to provisions of state law.

(J.C.C. page):

Passed:

Approved: November 8, 2016 Certified by the Board of

County Canvassers: November 22, 2016 Published: November 29, 2016

Effective: November 29, 2016

JANICE M. WINFREY Detroit City Clerk

APPENDIX		
	COMMUNITY BENEFITS ORDINANCE, DETROIT LEGAL	
Α	NEWS, NOVEMBER 29, 2016	ATTACHMENT
В	OBSOLETE PROPERTY REHABILITATION ACT	ATTACHMENT
С	CBO MAP, CENSUS TRACT AND IMPACT ZONE	ATTACHMENT
D	PROJECT DESCRIPTION TO CITY COUNCIL, APRIL 25, 2017	ATTACHMENT
E	CBO PUBLIC NOTICE – FEBRUARY 27, 2017	ATTACHMENT
F	COMMUNITY FORUM #1, FLIER, MARCH 9, 2017	ATTACHMENT
	COMMUNITY FORUM #1, PRESENTATION EXCERPT –	
G	HERMAN KIEFER UPDATE & NAC, MARCH 9, 2017	ATTACHMENT
Н	CBO NAC MEETING #1, PRESENTATION, APRIL 5, 2017	ATTACHMENT
1	CBO NAC MEETING #2, PRESENTATION, APRIL 18, 2017	ATTACHMENT
J	CBO NAC MEETING #3, PRESENTATION, MAY 3, 2017	ATTACHMENT
	CBO NAC LIST "Community Demands from Herman Kiefer	
K	Developer", MAY 11, 2017	ATTACHMENT
	CBO NAC LIST "List of Concerns – City of Detroit and or	
L	Developer", MAY 17, 2017	ATTACHMENT

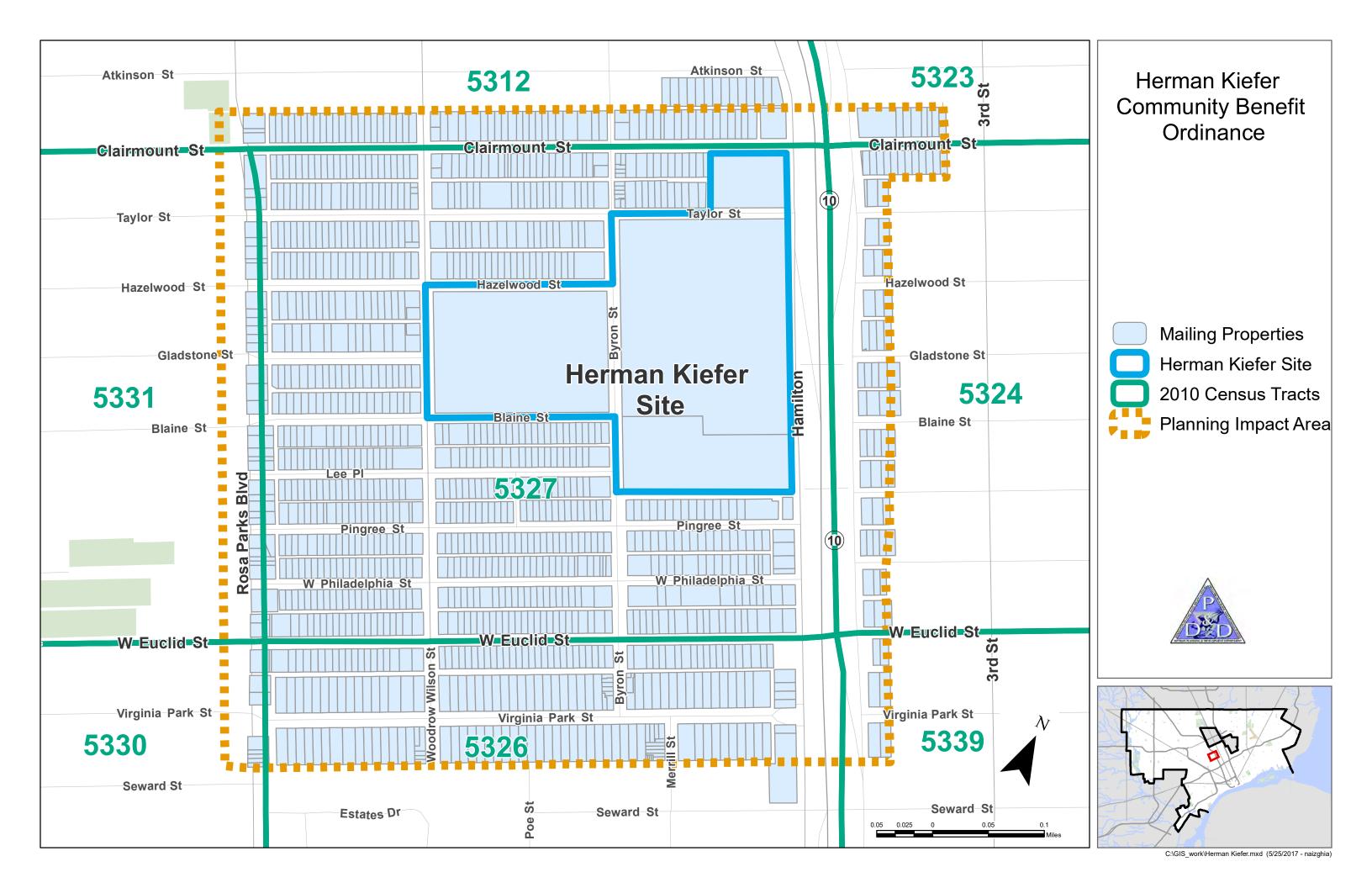
Obsolete Property Rehabilitation Act

PA 146 of 2000 as amended

Provides a reduction in the amount of property taxes that a developer will pay on commercial and commercial housing properties that are being rehabilitated. **Properties must meet eligibility requirements including a statement of obsolescence by the local assessor.**

Benefit	Pre-improved taxable value is frozen. Owner pays full amount of taxes on frozen value. Improvements are taxed at a reduced rate of 24 mills (school millages)
Duration	Up to 12 years
Abatement Agreement	Requires an Abatement Agreement between the City of Detroit and the developer.
Project and Operation and Commencement Requirements	Construction must be completed within two years of receiving the Obsolete Property Rehabilitation Certificate (District approval not included in construction timeline.
Revocation Provision	The Agreement allows the city to revoke the abatement certificate if the owner fails to complete the rehabilitation in the allotted timeframe.

APPENDIX		
	COMMUNITY BENEFITS ORDINANCE, DETROIT LEGAL	
Α	NEWS, NOVEMBER 29, 2016	ATTACHMENT
В	OBSOLETE PROPERTY REHABILITATION ACT	ATTACHMENT
С	CBO MAP, CENSUS TRACT AND IMPACT ZONE	ATTACHMENT
D	PROJECT DESCRIPTION TO CITY COUNCIL, APRIL 25, 2017	ATTACHMENT
E	CBO PUBLIC NOTICE – FEBRUARY 27, 2017	ATTACHMENT
F	COMMUNITY FORUM #1, FLIER, MARCH 9, 2017	ATTACHMENT
	COMMUNITY FORUM #1, PRESENTATION EXCERPT –	
G	HERMAN KIEFER UPDATE & NAC, MARCH 9, 2017	ATTACHMENT
Н	CBO NAC MEETING #1, PRESENTATION, APRIL 5, 2017	ATTACHMENT
1	CBO NAC MEETING #2, PRESENTATION, APRIL 18, 2017	ATTACHMENT
J	CBO NAC MEETING #3, PRESENTATION, MAY 3, 2017	ATTACHMENT
	CBO NAC LIST "Community Demands from Herman Kiefer	
K	Developer", MAY 11, 2017	ATTACHMENT
	CBO NAC LIST "List of Concerns – City of Detroit and or	
L	Developer", MAY 17, 2017	ATTACHMENT



APPENDIX		
	COMMUNITY BENEFITS ORDINANCE, DETROIT LEGAL	
Α	NEWS, NOVEMBER 29, 2016	ATTACHMENT
В	OBSOLETE PROPERTY REHABILITATION ACT	ATTACHMENT
С	CBO MAP, CENSUS TRACT AND IMPACT ZONE	ATTACHMENT
D	PROJECT DESCRIPTION TO CITY COUNCIL, APRIL 25, 2017	ATTACHMENT
E	CBO PUBLIC NOTICE – FEBRUARY 27, 2017	ATTACHMENT
F	COMMUNITY FORUM #1, FLIER, MARCH 9, 2017	ATTACHMENT
	COMMUNITY FORUM #1, PRESENTATION EXCERPT –	
G	HERMAN KIEFER UPDATE & NAC, MARCH 9, 2017	ATTACHMENT
Н	CBO NAC MEETING #1, PRESENTATION, APRIL 5, 2017	ATTACHMENT
1	CBO NAC MEETING #2, PRESENTATION, APRIL 18, 2017	ATTACHMENT
J	CBO NAC MEETING #3, PRESENTATION, MAY 3, 2017	ATTACHMENT
	CBO NAC LIST "Community Demands from Herman Kiefer	
K	Developer", MAY 11, 2017	ATTACHMENT
	CBO NAC LIST "List of Concerns – City of Detroit and or	
L	Developer", MAY 17, 2017	ATTACHMENT

Herman Kiefer Redevelopment Project

Overview and Upcoming City Council Actions
April 25, 2017

Herman Kiefer Development, LLC (the "Developer") will adaptively reuse and renovate the Herman Kiefer hospital complex along with the former Hutchins and Crosman school buildings (the "HK site") and work with the City, local residents and community stakeholders to stabilize and revitalize the surrounding neighborhood ("HK neighborhood").





Project terms and requirements

- \$925,000 acquisition price for HK site
- After closing of HK site (expected summer 2017), Developer required to:
 - o board all DLBA vacant homes and maintain all DLBA vacant lots in HK neighborhood;
 - o secure and activate HK site, invest a minimum of \$1 million per year in site during years 1-5 and \$2 million per year during years 6-8;
 - o invest at least \$20 million in HK site by year 5 or activate 35% of site;
 - o invest at least \$75 million in HK site by year 8 or activate 80% of site; and
 - o rehab vacant DLBA homes within 3 years and implement a land stewardship plan in coordination with the City in HK neighborhood
 - 20% of rehabbed DLBA homes must be developed by or in partnership with community partners

Previous City Council approvals

- September 29, 2015: Approval of HK site land sale
 - Authorization of land transfer from City to Developer for \$925,000
- September 29, 2015: Approval of HK neighborhood agreement
 - Authorization for DLBA to convey 10 or more parcels to Developer

Project timeline and current status

- Developer and City signed HK site Development Agreement in May 2016.
- Closing of deal originally expected by December 2016 but has been delayed approximately 6 months by encumbrances and title issues related to the HK site and parcels in the HK neighborhood.
- Developer has expended more than \$1.5 million in hard and soft costs on the project to date.
- PDD began the Rosa Parks Clairmount planning study, which includes the HK neighborhood, in early 2017.
- Developer has boarded and secured the Crosman school building with Secureview polycarbonate material, has begun boarding vacant DLBA structures in the neighborhood and will pay \$135,800 to reimburse the City for past security costs associated with the site.
- PDD and Developer began the Community Benefits Ordinance process on March 9, 2017 and have held several additional public meetings related to the project.
- Brownfield Plan was approved by the Detroit Brownfield Redevelopment Authority Board on March 22, 2017.

Upcoming City Council requests (expected before City Council in late May or early June)

- Approval of Brownfield Plan
- Approval of Obsolete Property Rehabilitation Act (OPRA) District
- Developer and City requesting to amend the HK site Development Agreement to move the closing schedule and deadline from December 2016 to September 2017 (due to above-mentioned delays)
- City requesting transfer of PDD-owned residential parcels in the HK neighborhood to the Detroit Land Bank Authority

Future City Council requests: Neighborhood Enterprise Zone and OPRA Certificates



APPENDIX		
	COMMUNITY BENEFITS ORDINANCE, DETROIT LEGAL	
Α	NEWS, NOVEMBER 29, 2016	ATTACHMENT
В	OBSOLETE PROPERTY REHABILITATION ACT	ATTACHMENT
С	CBO MAP, CENSUS TRACT AND IMPACT ZONE	ATTACHMENT
D	PROJECT DESCRIPTION TO CITY COUNCIL, APRIL 25, 2017	ATTACHMENT
Е	CBO PUBLIC NOTICE – FEBRUARY 27, 2017	ATTACHMENT
F	COMMUNITY FORUM #1, FLIER, MARCH 9, 2017	ATTACHMENT
	COMMUNITY FORUM #1, PRESENTATION EXCERPT –	
G	HERMAN KIEFER UPDATE & NAC, MARCH 9, 2017	ATTACHMENT
Н	CBO NAC MEETING #1, PRESENTATION, APRIL 5, 2017	ATTACHMENT
1	CBO NAC MEETING #2, PRESENTATION, APRIL 18, 2017	ATTACHMENT
J	CBO NAC MEETING #3, PRESENTATION, MAY 3, 2017	ATTACHMENT
	CBO NAC LIST "Community Demands from Herman Kiefer	
K	Developer", MAY 11, 2017	ATTACHMENT
	CBO NAC LIST "List of Concerns – City of Detroit and or	
L	Developer", MAY 17, 2017	ATTACHMENT



Cochasia A. Young Mijerger, Control J. Wildowsky Anney Scott Bill Deport, Michigan 48224 (103) 224-1399-1391(1) (103) 224-1399-1391(1) (103) 224-1399-1391(1) (103) 224-1399-1391(1)

LEGAL MEETING NOTICE SHEETING NOTICE TO THE RESIDENTS LIVING WITHIN 300 FEET OF THE NEEMAN REFER REDIVILIPMENT SITE

When: Thursday, March 9, 2017; 5.30pm - 7:30pm Where: Joseph Welliam Williams Cowler, 8411. Rosa Parks Blvd., Extroit, 6tt 48206.

GENERAL PROJECT INFORMATION

The City of Destruit we ignimes Herman tabler Development, LLC (HKO), needed by architect and developer from Costelland, who is purshoung a 38.7 acro development site in Detroit, comprises of 1.1 existing. buildings totaling 763,227 square less. This area is called, "The Herman Kiefer Development Site" (see map). In addition to the main campus, HKD will also be working with the City and the Detroit Land Bank Authority to rehabilitate victors structures and maintain vacant lots within the 164 acro survivaling reighborhood. This area is called the "Land Sarwerdonip Area", and defined as the impact Area by the Hamming & Development Department.

The effected, if year edepths record, mised-use project will result in the development of diverse observed the community uses. Within the "Leed Stewardship Area", initial stages include securing and cleaning up existing housing structures, maintaining vecant lots, and boarding up Crossman and Russhing schools. HRD will be working with the community and the City of Detroit to estimate this vision.

POTENTIAL IMPACTS & MITIGATION STRATIGIES

The City of Detroit is aware of and acknowledges expressed community concerns related to this project in the following enest. Please bring any concerns to the conventation the evening of March 9th

A. BUGHT INTEGATION & LANDSCAPE IMPROVEMENTS

- . Scartling up of vacant homes and schools.
- Maintenance of vacant lets
- Reput/Radion efforts to improve the oversit quality of the fanciouse.

B. WORKFORCE DEVELOPMENT

- MKD will work in pirtnership with the Gry of Detroit to support ensetyment apportunities.
- MKD will work with local development partners to rehab homes in the Land Stewardship Area

APPENDIX		
	COMMUNITY BENEFITS ORDINANCE, DETROIT LEGAL	
Α	NEWS, NOVEMBER 29, 2016	ATTACHMENT
В	OBSOLETE PROPERTY REHABILITATION ACT	ATTACHMENT
С	CBO MAP, CENSUS TRACT AND IMPACT ZONE	ATTACHMENT
D	PROJECT DESCRIPTION TO CITY COUNCIL, APRIL 25, 2017	ATTACHMENT
E	CBO PUBLIC NOTICE – FEBRUARY 27, 2017	ATTACHMENT
F	COMMUNITY FORUM #1, FLIER, MARCH 9, 2017	ATTACHMENT
	COMMUNITY FORUM #1, PRESENTATION EXCERPT –	
G	HERMAN KIEFER UPDATE & NAC, MARCH 9, 2017	ATTACHMENT
Н	CBO NAC MEETING #1, PRESENTATION, APRIL 5, 2017	ATTACHMENT
1	CBO NAC MEETING #2, PRESENTATION, APRIL 18, 2017	ATTACHMENT
J	CBO NAC MEETING #3, PRESENTATION, MAY 3, 2017	ATTACHMENT
	CBO NAC LIST "Community Demands from Herman Kiefer	
K	Developer", MAY 11, 2017	ATTACHMENT
	CBO NAC LIST "List of Concerns – City of Detroit and or	
L	Developer", MAY 17, 2017	ATTACHMENT



photo by Justin Milhouse

COME JOIN US!

The City of Detroit's Planning and Development Department and the office of City Council Member Mary Sheffield invite you to participate in efforts to turn planning into action in the Rosa Parks Clairmount neighborhood.

The City of Detroit's Planning and Development Department is taking action to plan for specific target areas throughout the City in 2017. We invite YOU to help develop community priorities and identify neighborhood improvements that can be implemented.

* Thursday March 9, 2017

Light refreshments will be provided.

Joseph Walker Williams Center

8431 Rosa Parks Blvd Detroit, MI 48206

5:30pm - 7:30pm

Interpretation service for the hearing impaired will be provided at both forums.



MARK YOUR CALENDAR FOR THE NEXT MEETING: Thursday April 6, 2017

APPENDIX			
	COMMUNITY BENEFITS ORDINANCE, DETROIT LEGAL		
Α	NEWS, NOVEMBER 29, 2016	ATTACHMENT	
В	OBSOLETE PROPERTY REHABILITATION ACT	ATTACHMENT	
С	CBO MAP, CENSUS TRACT AND IMPACT ZONE	ATTACHMENT	
D	PROJECT DESCRIPTION TO CITY COUNCIL, APRIL 25, 2017	ATTACHMENT	
Е	CBO PUBLIC NOTICE – FEBRUARY 27, 2017	ATTACHMENT	
F	COMMUNITY FORUM #1, FLIER, MARCH 9, 2017	ATTACHMENT	
	COMMUNITY FORUM #1, PRESENTATION EXCERPT –		
G	HERMAN KIEFER UPDATE & NAC, MARCH 9, 2017	ATTACHMENT	
Н	CBO NAC MEETING #1, PRESENTATION, APRIL 5, 2017	ATTACHMENT	
1	CBO NAC MEETING #2, PRESENTATION, APRIL 18, 2017	ATTACHMENT	
J	CBO NAC MEETING #3, PRESENTATION, MAY 3, 2017	ATTACHMENT	
	CBO NAC LIST "Community Demands from Herman Kiefer		
K	Developer", MAY 11, 2017	ATTACHMENT	
	CBO NAC LIST "List of Concerns – City of Detroit and or		
L	Developer", MAY 17, 2017	ATTACHMENT	

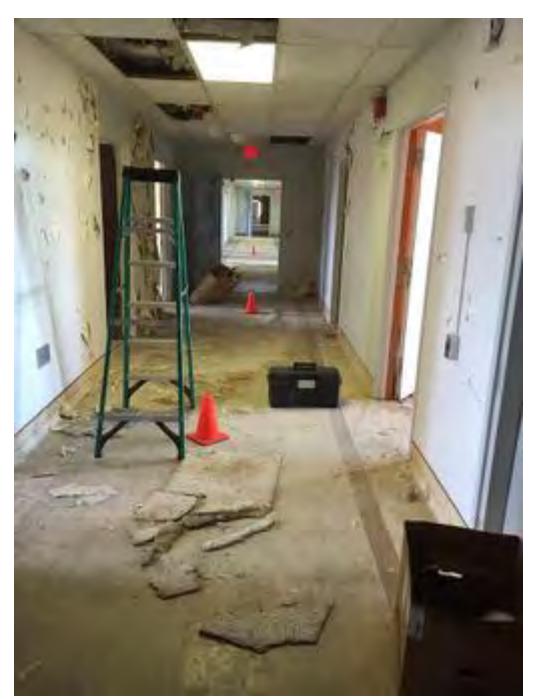


Herman Kiefer Redevelopment



Herman Kiefer







Hutchins Sports Courts + Playground













Crosman











Hotel + Community Skate Park

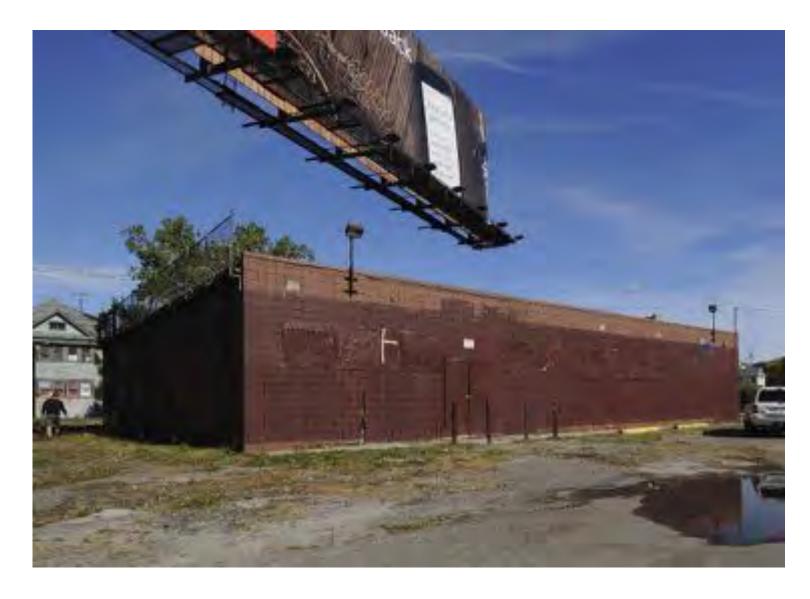








General Store













Proposed 2017 Timeline

March 2017

- Brownfield + OPRA request
- Neighborhood board ups
- Local workforce building

April

Hutchins secured

May

- Community meeting
- Neighborhood cleanup + training
- Closing

June

• Summer community event

July

Neighborhood board ups

August

Community meeting

October

Skate park opening

November

- Community meeting
- December
- Hotel opening

Neighborhood Advisory Council (NAC) Member

WHAT ARE THE NAC MEMBERS' ROLES AND RESPONSIBILITIES?

- Attend at least 1 initial meeting between the NAC and Herman Kiefer Developer.
- Continue to attend follow-up meetings with Herman Kiefer Developer to monitor progress and status of project.
- Review Community Benefits Report written by the Planning and Development Department and Compliance Reports

Neighborhood Advisory Council (NAC) Member

ELIGIBLE MEMBERS MUST BE:

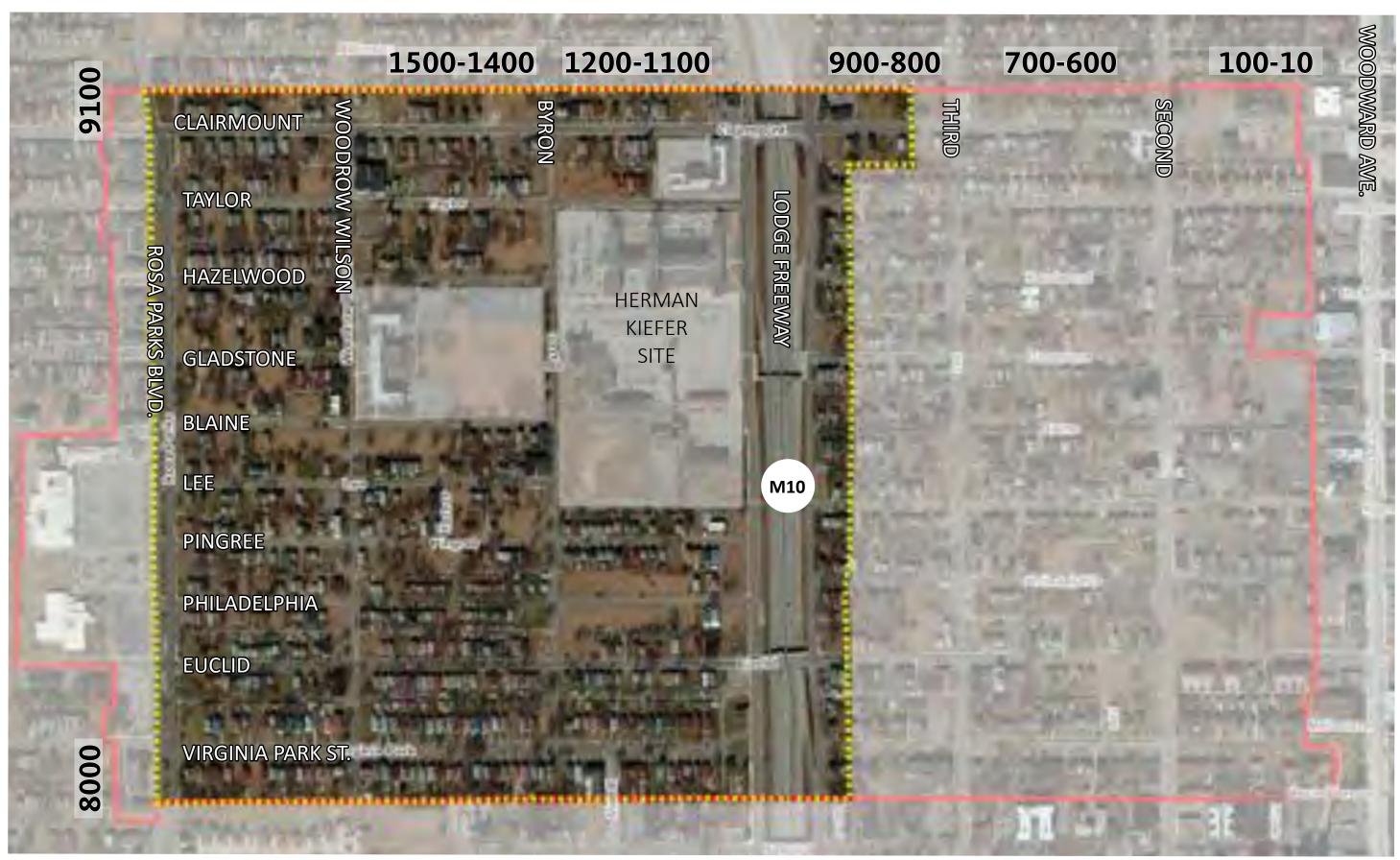
- Residents of the impacted area
- At least 18 years of age

How Is the NAC Formed?

THE NAC CONSISTS OF 9 MEMBERS, SELECTED AS FOLLOWS:

- 2 selected by residents of the impacted area
- 4 selected by the City of Detroit Planning and Development Department (preference given to residents expected to be directly impacted by project)
- 2 selected by the At-Large Council Members (Council President Jones and Council Member Ayers)
- 1 selected by the local District Council Member (Council Member Sheffield) whose district contains the largest portion of the Impact Area

Impact Area



APPENDIX			
	COMMUNITY BENEFITS ORDINANCE, DETROIT LEGAL		
Α	NEWS, NOVEMBER 29, 2016	ATTACHMENT	
В	OBSOLETE PROPERTY REHABILITATION ACT	ATTACHMENT	
С	CBO MAP, CENSUS TRACT AND IMPACT ZONE	ATTACHMENT	
D	PROJECT DESCRIPTION TO CITY COUNCIL, APRIL 25, 2017	ATTACHMENT	
E	CBO PUBLIC NOTICE – FEBRUARY 27, 2017	ATTACHMENT	
F	COMMUNITY FORUM #1, FLIER, MARCH 9, 2017	ATTACHMENT	
	COMMUNITY FORUM #1, PRESENTATION EXCERPT –		
G	HERMAN KIEFER UPDATE & NAC, MARCH 9, 2017	ATTACHMENT	
Н	CBO NAC MEETING #1, PRESENTATION, APRIL 5, 2017	ATTACHMENT	
1	CBO NAC MEETING #2, PRESENTATION, APRIL 18, 2017	ATTACHMENT	
J	CBO NAC MEETING #3, PRESENTATION, MAY 3, 2017	ATTACHMENT	
	CBO NAC LIST "Community Demands from Herman Kiefer		
K	Developer", MAY 11, 2017	ATTACHMENT	
	CBO NAC LIST "List of Concerns – City of Detroit and or		
L	Developer", MAY 17, 2017	ATTACHMENT	



Herman Kiefer

Neighborhood Advisory Council / APRIL 5, 2016
Joseph Walker Williams Recreation Center

AGENDA

5:00-5:10 Introductions & General Announcements

5:10-5:20 NAC Members and Development Team

5:20-5:30 Review Roles and Responsibilities of NAC

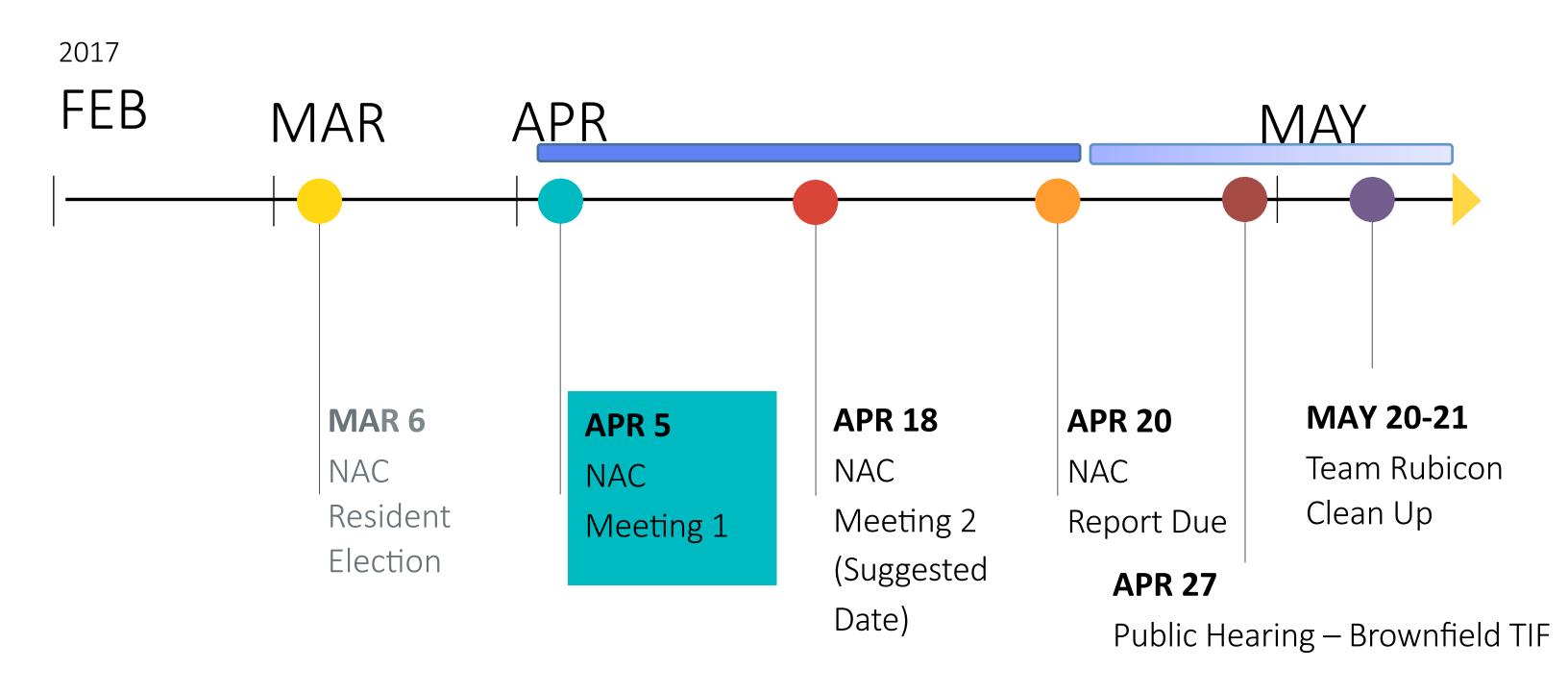
5:30-5:40 Herman Kiefer Development Review

5:40-6:15 Discussion: Concerns & Mitigation Strategy

6:20-6:30 Closing

Next Meeting: Suggested Date April 18th

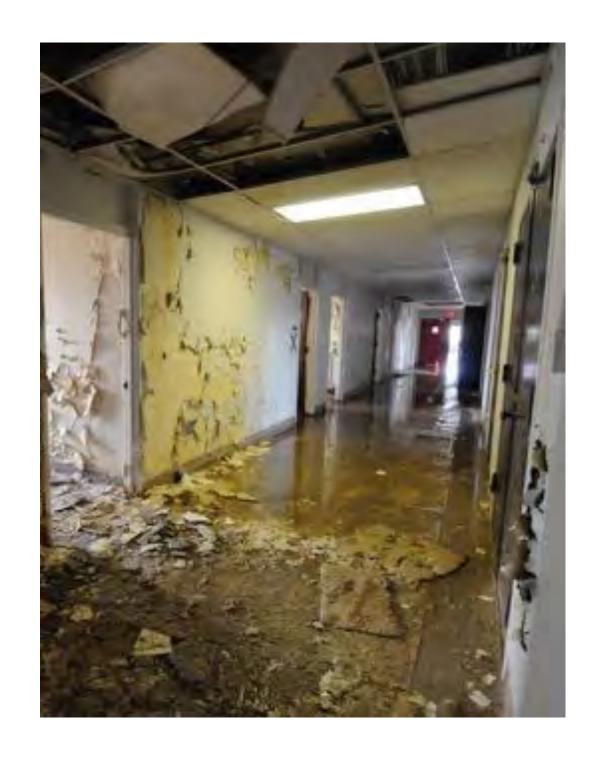
Neighborhood Advisory Council Schedule

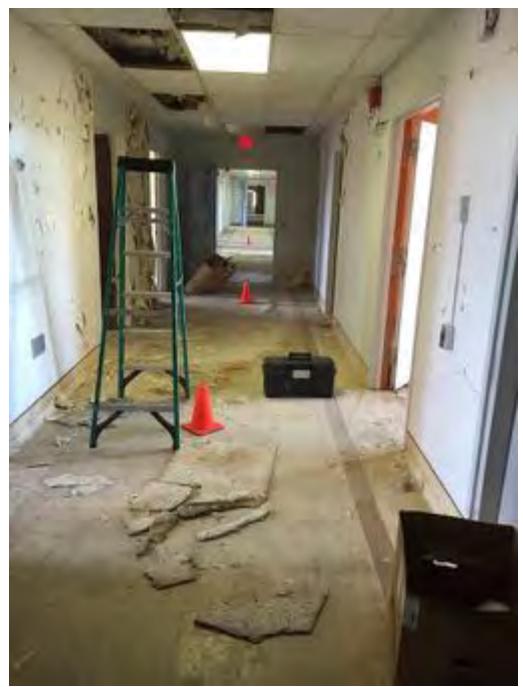


Herman Kiefer Redevelopment



Herman Kiefer







Hutchins Sports Courts + Playground







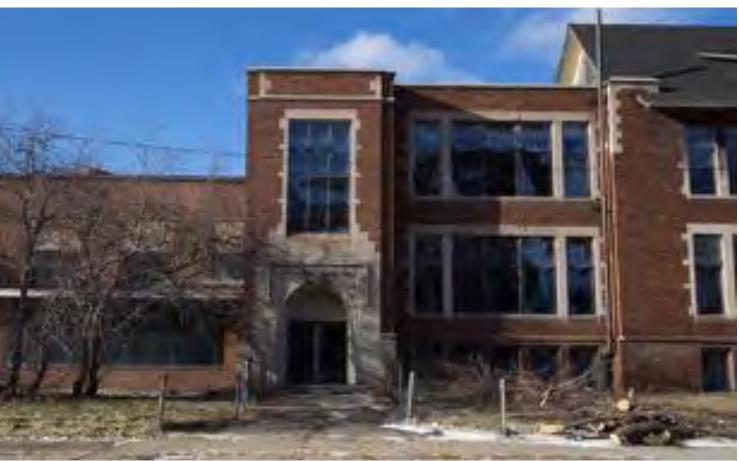






Crosman











Hotel + Community Skate Park

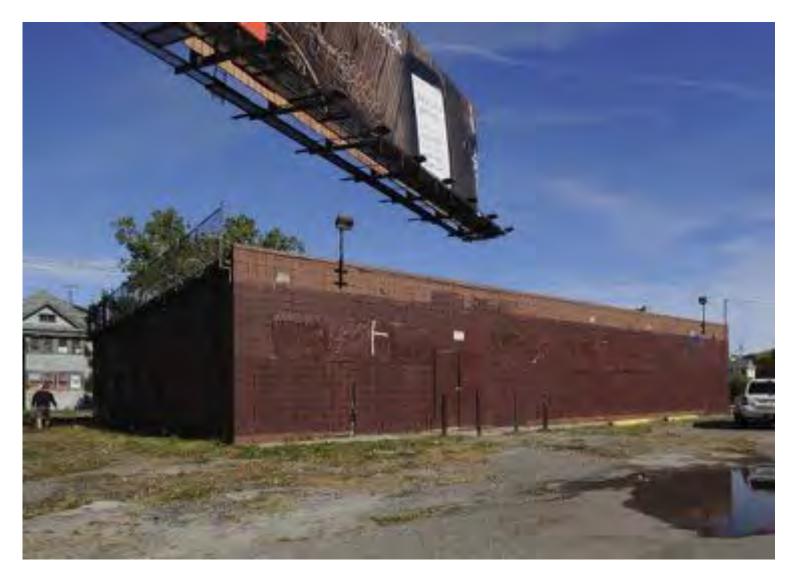








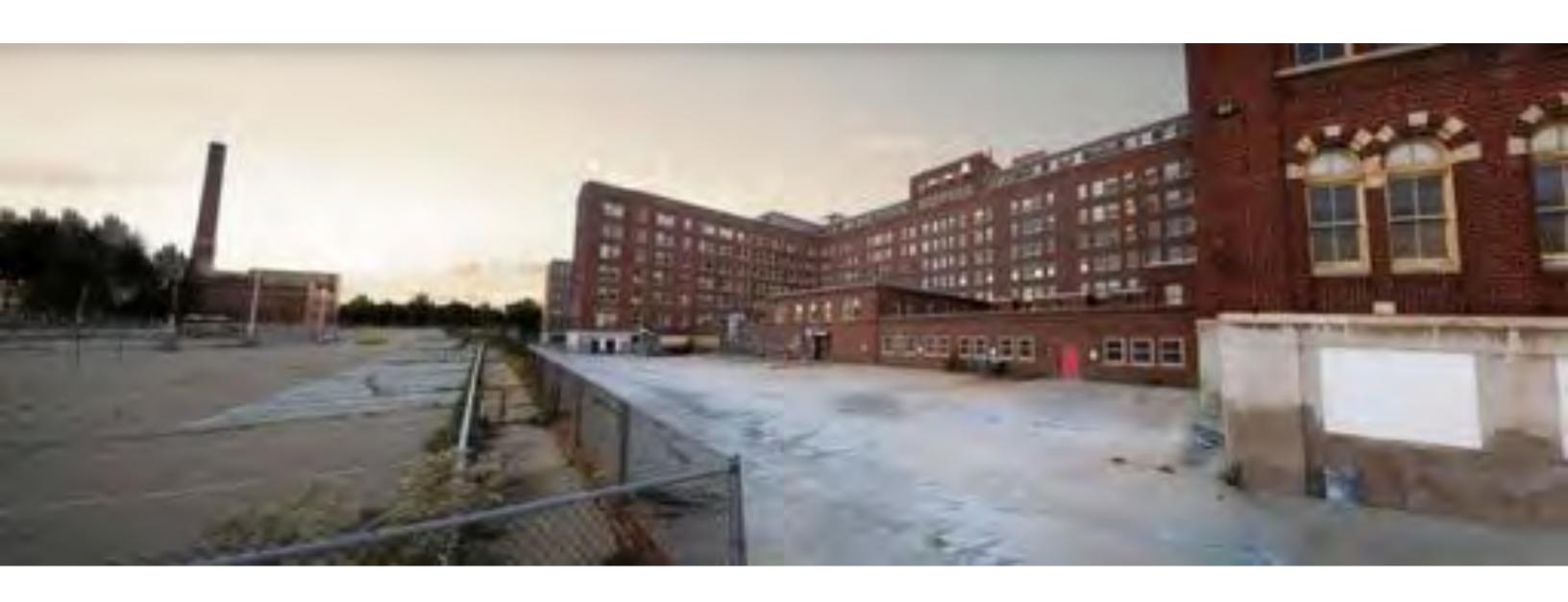
General Store













Herman Kiefer Proposed Activity Timeline - 2017

April

- Brownfield + OPRA request
- Neighborhood board ups
- Local workforce building
- Hutchins secured

May

- Community meeting
- Team Rubicon Neighborhood cleanup + training
- Closing

June

Summer community event

July

Neighborhood board ups

August

Community meeting

October

Skate park opening

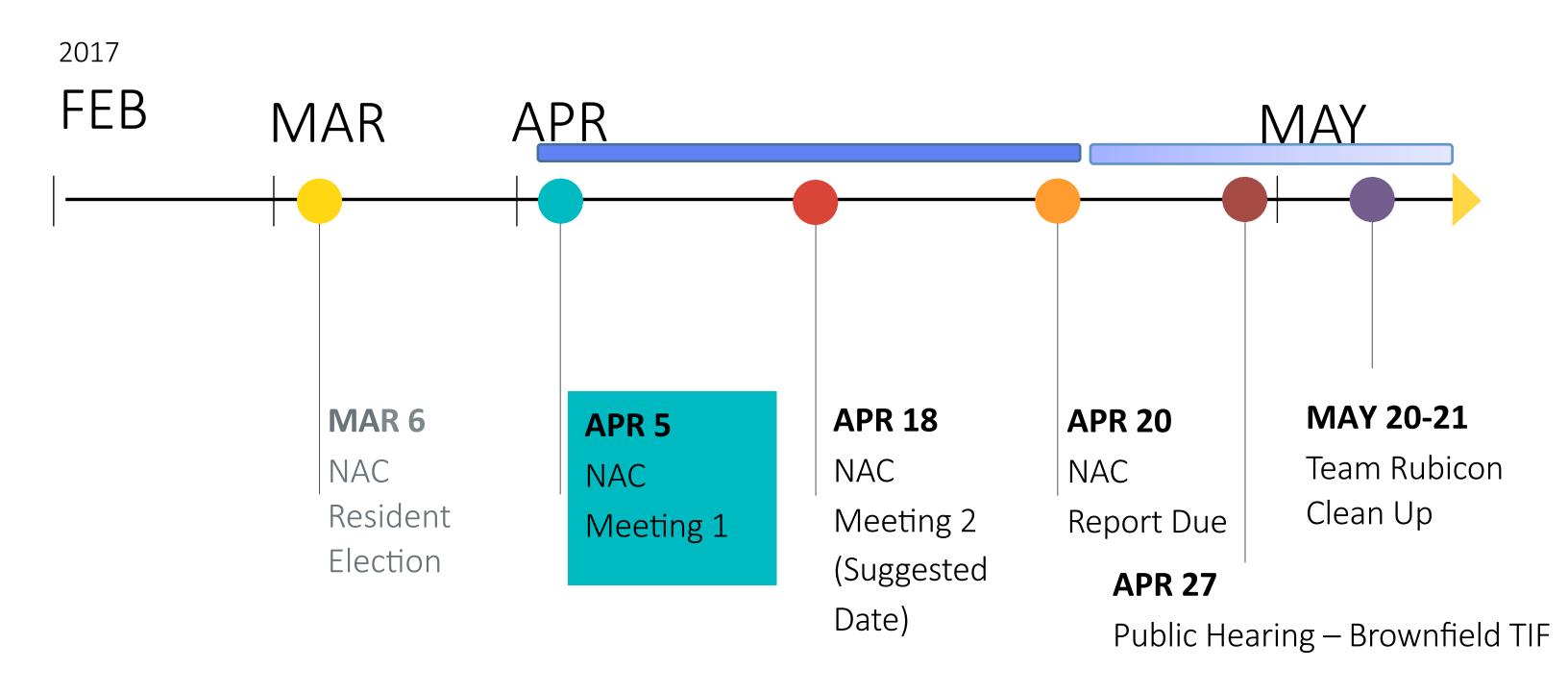
November

Community meeting

December

Hotel opening

Neighborhood Advisory Council Schedule







The City of Detroit has launched planning efforts for residents in the Rosa Parks Clairmount area: Herman Kiefer, Piety Hill, and Virginia Rark. We are identifying investments, improvements, and priority projects that we can mobilize towards construction to strengthen the area's identity and vibrancy.

We want to hear from you about opportunities for watant lot revitalization, neighborhood identity and branding development, housing commercial comidors, historic buildings, streetscapes and landscapes.

The City invites you to help develop community priorities and identify neighborhood improvements.

PREPARATION SERVICE for the Reserve Property will be browded.

Thursday April 6, 2017

5:30pm - 7:30pm
Light refreshments will be provided.

Joseph Walker Williams Cente 8431 Rosa Parks Blvd Detroit, MI 48206

DETROIT

MARK YOUR CALLADAN FOR THE NEXT MEETING. Thursday May 11, 2017



HERMAN KIEFER | PIETY HILL | VIRGINIA PARK





HOW THINGS ARE

NOW

APRIL 6





Join us to talk about:

WHERE DO WE WANT TO GO?

WHERE DO WE

min us to talk alloub

Do you have a great story about the Rosa Parks/ Clairmount Community?

If a meaningful neighborhood experience or memory that shaped your life, we'd like to hear from you.

Up to four residents or business owners will be selected to tell a 5-minute story on April 6, 2017 as part of the Rosa Parks/Clairmount Community Forum.

Visit RPCstories.com or complete the filer available at the joseph Walker Williams Community Center Studio Space (2nd floor - across from Room 204).

APPENDIX			
	COMMUNITY BENEFITS ORDINANCE, DETROIT LEGAL		
Α	NEWS, NOVEMBER 29, 2016	ATTACHMENT	
В	OBSOLETE PROPERTY REHABILITATION ACT	ATTACHMENT	
С	CBO MAP, CENSUS TRACT AND IMPACT ZONE	ATTACHMENT	
D	PROJECT DESCRIPTION TO CITY COUNCIL, APRIL 25, 2017	ATTACHMENT	
E	CBO PUBLIC NOTICE – FEBRUARY 27, 2017	ATTACHMENT	
F	COMMUNITY FORUM #1, FLIER, MARCH 9, 2017	ATTACHMENT	
	COMMUNITY FORUM #1, PRESENTATION EXCERPT –		
G	HERMAN KIEFER UPDATE & NAC, MARCH 9, 2017	ATTACHMENT	
Н	CBO NAC MEETING #1, PRESENTATION, APRIL 5, 2017	ATTACHMENT	
1	CBO NAC MEETING #2, PRESENTATION, APRIL 18, 2017	ATTACHMENT	
J	CBO NAC MEETING #3, PRESENTATION, MAY 3, 2017	ATTACHMENT	
	CBO NAC LIST "Community Demands from Herman Kiefer		
K	Developer", MAY 11, 2017	ATTACHMENT	
	CBO NAC LIST "List of Concerns – City of Detroit and or		
L	Developer", MAY 17, 2017	ATTACHMENT	



Neighborhood Advisory Council / APRIL 18, 2016
Joseph Walker Williams Recreation Center

APRIL 18, 2017 NAC MEETING AGENDA

5:30-5:40 Introductions & General Announcements
5:40-5:45 Upcoming schedule of development activities
5:45-6:00 Review of Herman Kiefer Development's tax incentives
6:00-6:15 Review of NAC Meeting 1 & Draft CBO Report
6:15-6:30 Open Discussion
6:30-6:40 Closing - Next steps City Council Hearing April

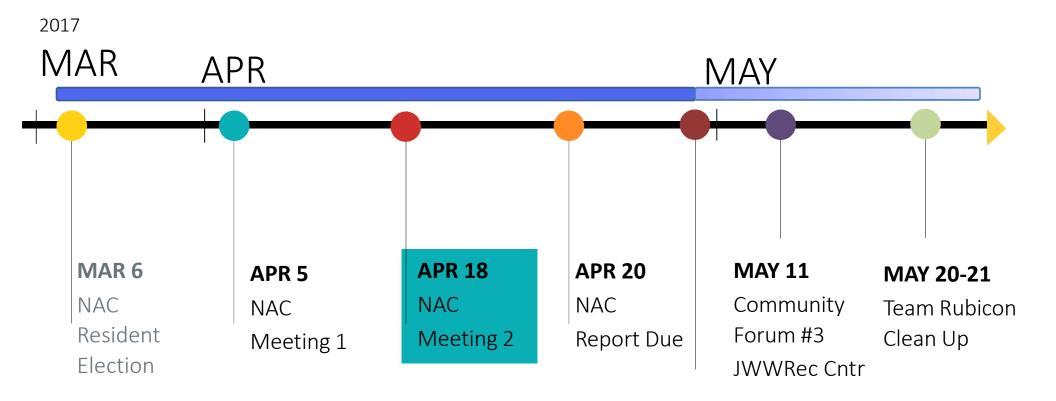
Next NAC Meeting: TBD

The Herman Kiefer Neighborhood Advisory Council

THE NAC CONSISTS OF 9 MEMBERS, SELECTED AS FOLLOWS:

- 2 selected by residents George Adams, Kathy Blake
- 4 selected by the City of Detroit Planning and Development Department Renee Gunn, Lorenzo Jones, Raymond Thomas, Marquisha Booker
- 2 selected by the At-Large Council Members Marquita Reese, Sharon Calmese
- 1 selected by the local District Council Member (Council Member Sheffield) Dr. Armstrong

Neighborhood Advisory Council Schedule



Herman Kiefer Proposed Activity Timeline - 2017

April

- Brownfield + OPRA request
- Neighborhood board ups
- Local workforce building
- Hutchins secured

May

- Community meeting
- Team Rubicon Neighborhood cleanup + training
- Closing

June

Summer community event

July

Neighborhood board ups

August

Community meeting

October

Skate park opening

November

Community meeting

December

Hotel opening

What is the DBRA?



The Detroit Brownfield Redevelopment Authority (DBRA)

- Is an authority providing financial incentives on behalf of the City to revitalize underdeveloped or underutilized properties due to abandonment or environmental contamination
- Is governed by its 9 member Board of Directors.
- Board is assisted by its Community Advisory Committee (CAC)

The Detroit Economic Growth Corporation (DEGC)

Provides the DBRA' with staff assistance to implement the DBRA's project development plans within the City of Detroit



Michigan Public Act 381 of 1996



Public Act 381 allows the DBRA to use Tax Increment Financing (TIF) capture to reimburse for both environmental and non environmental eligible activities conducted on an eligible property as part of an approved Brownfield redevelopment plan.

Odd Fellows Hall Before



Odd Fellows Hall After



Eligible Property



In order for property to be included in a Brownfield plan, the property must qualify as one of the following:

- Contaminated: defined as a "facility" per Part 201 of NREPA.
- Blighted: the property is a public nuisance, an attractive nuisance to children, a fire hazard, has had utilities permanently disconnected, is tax reverted, is under control of a land bank, or has subsurface debris on site, as determined by City Council.
- Functionally Obsolete: the property cannot be used adequately to perform the function for which it was intended to, as designated by a Level III or Level IV Assessor.
- Historic Resource: a historic building or structure located within a historic district designated by the national register of historic places, the state register of historic sites or a local unit.
- Targeted Redevelopment Area (TRA): not less than 40 and not more than 500 contiguous parcels as approved by City Council resolution and by the Michigan Strategic Fund, not more than two TRA's approved annually in each qualified local governmental unit, no more than five approved annually statewide Neighborhood Advisory Council Meeting #2 | April 18, 2017

The Ellington



Non Environmental Eligible Activities



Michigan Strategic Fund (MSF) eligible activities that qualify for reimbursement include:

- Demolition: whole or partial building, interior and site demolition.
- Lead and Asbestos Abatement: including the cost of a Lead or Asbestos Study.
- Infrastructure Improvements: generally must be publically owned and/or operated such as roads, sidewalks, curbs, gutters and water, storm and sanitary mains. Also includes underground and multi-level parking and low-impact design urban storm water management systems, whether they are publically or privately owned and operated.
- Site Preparation: includes geotechnical engineering, temporary site control, excavation of unstable materials, and relocation of active utilities.
- Additional Activities: Interest on eligible activity expenses, Brownfield plan and work plan or combined Brownfield/work plan expenses.

3408 Woodward



Environmental Eligible Activities



Michigan Department of Environmental Quality (MDEQ) eligible activities that qualify for reimbursement include:

- Phase I and Phase II Environmental Site Assessments
- Baseline Environmental Site Assessment
- Due Care Activities
- Additional Response Activities
- Additional Activities: interest on eligible activity expenses, Brownfield plan and work plan or combined Brownfield/work plan expenses.

Studio One Apartments



How Does TIF Work?



Tax Increment Financing (TIF) is a tool that allows the DBRA to reimburse a developer for eligible activity costs as part of an approved Brownfield redevelopment plan. TIF works by capturing the taxes (less the debt millages) on the incremental increase of the taxable value of a property as a result of the improvements made to the property. The TIF capture is then reimbursed to the developer for actual eligible activity costs.

1001 Woodward



How is a Brownfield Plan Approved?



Brownfield plan approval steps include the following:

- Initial meeting with DBRA Staff to provide Brownfield plan details.
- Meet and/or consult with MSF Staff for Brownfield plans that include non environmental eligible activities and with MDEQ Staff for Brownfield plans that include environmental eligible activities.
- Submit and present the Brownfield plan to the DBRA Board of Directors and the DBRA Community Advisory Committee (DBRA-CAC).
- Public hearing in the Brownfield plan location.
- Present results of the DBRA-CAC meeting and the local public hearing to the DBRA Board of Directors. DBRA Board vote to send the Brownfield plan to Detroit City Council.
- Public hearing at the Detroit City Council Planning and Economic Development Standing Committee.
- Detroit City Council Brownfield plan approval.
- MSF work plan approval for school TiF capture on non environmental eligible activities.
- MDEQ work plan approval for school TIF capture on environmental eligible activities.
- PA 381 allows for a separate Brownfield plan and work plan approval or a combined Brownfield plan (and work plan) approval.

Broderick Tower



Obsolete Property Rehabilitation Act

PA 146 of 2000 as amended

Provides a reduction in the amount of property taxes that a developer will pay on commercial and commercial housing properties that are being rehabilitated. Properties must meet eligibility requirements including a statement of obsolescence by the local assessor.

Benefit	Pre-improved taxable value is frozen. Owner pays full amount of taxes on frozen value. Improvements are taxed at a reduced rate of 24 mills (school millages)
Duration	Up to 12 years
Abatement Agreement	Requires an Abatement Agreement between the City of Detroit and the developer.
Project and Operation	Construction must be completed within two years of receiving the Obsolete

Requirements

construction timeline.

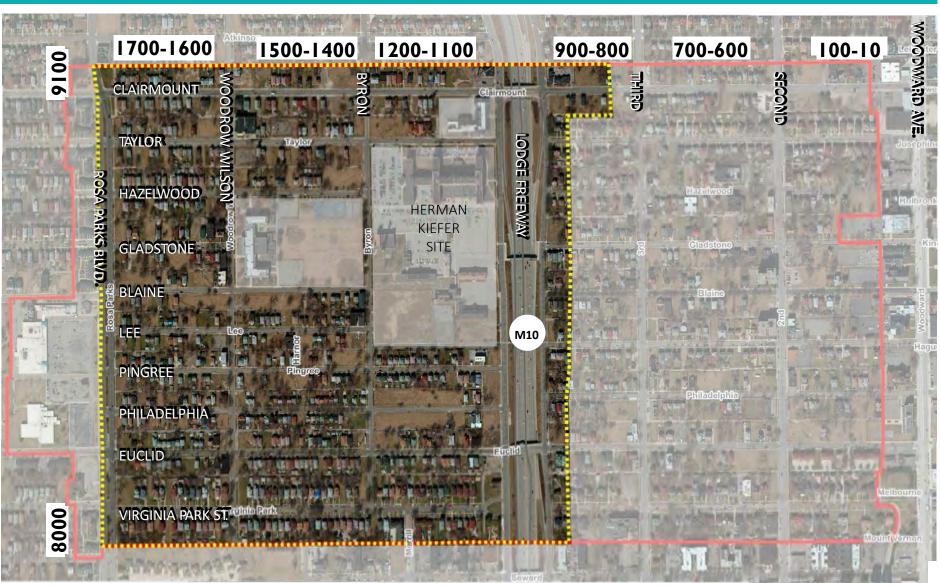
Revocation Provision

The Agreement allows the city to revoke the abatement certificate if the owner fails to complete the rehabilitation in the allotted timeframe.

Herman Kiefer Redevelopment



Impact Area



Neighborhood Advisory Council Meeting #2 | April 18, 2017

Hiring and Employment

Community Concern	Response
Will there be employment opportunities for local residents associated with building the skate park, boarding homes, and other aspects of the development project?	Yes, by focusing on commercial development, the development plan is focused on creating as many job opportunities in the neighborhood as possible. In the Development Agreement, the Developer is obligated to work with the City to create job opportunities for local residents, both including construction jobs for projects like the skate park, as well as permanent jobs associated with tenants that will be brought on site.

Activation & Stabilization of Vacant Properties

Community Concern	Response
Why was a skatepark chosen as the first project? What about other uses that the community would like to see on site (community theater, flag football, etc.)	The skate park is a temporary project being used to activate the now vacant and stripped Hutchins school building. It is being done in collaboration with a successful local community organization already operating in another part of Detroit. In addition to this, the Developer would like to active the Hutchins school site and the rest of the buildings with additional uses like those proposed by the community. The Developer will be looking for other operating partners to get these projects online and hopes to use the community engagement process to generate more ideas for programming from neighborhood residents.

Activation & Stabilization of Vacant Properties

Community Concern	Response
How will the neighborhood be stabilized while the development progresses? How do we stabilize homes and what funds are available to do their own rehabilitation?	The Developer is obligated to board up vacant homes and clear vacant lots in the neighborhood once the deal closes. The Developer will create a neighborhood land stewardship and housing rehabilitation strategy in coordination with the Planning and Development and Housing and Revitalization Departments. The Developer is also working with a non-profit group, Team Rubicon to provide some assistance for private homeowners in the neighborhood that need help with their homes. The City will be working with the Developer to leverage the existing 0% Home Loan Program, foreclosure prevention resources, and other assistance programs to support current residents.

Communication & Information

Community Concern	Response
informed of the	The development agreements associated with the project will be distributed to the NAC. Project details, including the list of properties associated with the development agreements, are included in the document
The Assessor's Office is understaffed, don't have clerical, don't give anything in writing. (training and outreach) We would like to have the Assessor's Office come attend the meeting.	The Assessor Office is invited to attend today's meeting. To date, we are not sure if we will have a response to this item on time.

Neighborhood Advisory Council Meeting #2 | April 18, 2017

Quality of Life

Community Concern	Response	
Skate park – how will this be heated?	HKD will have temporary heating in place for the indoor skate park.	
How will the development be protected? Will the dump site behind Hutchins be cleaned up? Will the alleys be cleaned to deter criminals?	Once the deal closes, the Developer will expand security to the Hutchins and Crosman school buildings. They will also be obligated to clean and clear any trash and debris along with activating the site with programming and events. Within 90 days of closing the Developer is obligated to board and secure all of the vacant land owned by the DLBA in the neighborhood. the Developer HKD takes over the project, HKD will have security over the HK complex and the schools. They will have a full fledged security system.	

Quality of Life

Community Concern	Response
Will housing in the neighborhood remain affordable. Will there be public housing, tax credit housing, or rent-to-own programs?	Department in coordination with the Rosa Parks -Clairmount planning study to create a holistic housing rehabilitation strategy for the neighborhood. All parties involved are dedicated to making sure that housing options for a range of incomes will be available in

Neighborhood Advisory Council Meeting #2 | April 18, 2017

Quality of Life

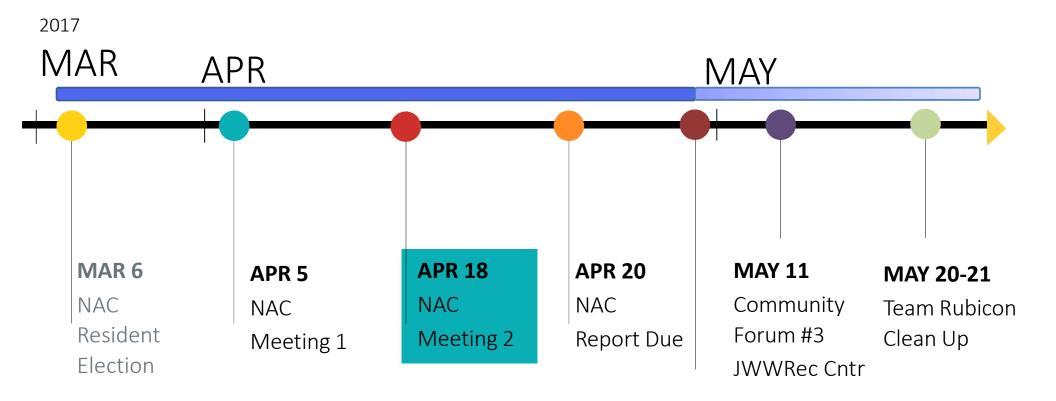
Community Concern	Response
As a property owner, how much more am I going to have to pay in taxes?	According to State law (The Headlee Amendment and Proposal A), property tax rates are capped by the lesser of the inflation rate or 5%.
Property values in the neighborhood have suffered due to the presence of vacant, unkempt lots.	All vacant lots have to be improved and are included in the Land Stewardship Plan currently being developed by the Rosa Parks Clairmount study. The City and Developer both hope and anticipate that by maintaining vacant lots, rehabilitating vacant structures, and activating the Herman Kiefer site will help stabilize property values in the neighborhood and eventually lead to an increase in property values.

Neighborhood Advisory Council Meeting #2 | April 18, 2017

Quality of Life

Community Concern	Response
Can there be some incentive for landlords that are in the area so that they don't have to raise their rents?	Both the City and Developer are interested in better understanding the challenges current property owners in the neighborhood are facing and how current resources can be best leveraged to address these challenges.

Neighborhood Advisory Council Schedule



APPENDIX		
	COMMUNITY BENEFITS ORDINANCE, DETROIT LEGAL	
Α	NEWS, NOVEMBER 29, 2016	ATTACHMENT
В	OBSOLETE PROPERTY REHABILITATION ACT	ATTACHMENT
С	CBO MAP, CENSUS TRACT AND IMPACT ZONE	ATTACHMENT
D	PROJECT DESCRIPTION TO CITY COUNCIL, APRIL 25, 2017	ATTACHMENT
Е	CBO PUBLIC NOTICE – FEBRUARY 27, 2017	ATTACHMENT
F	COMMUNITY FORUM #1, FLIER, MARCH 9, 2017	ATTACHMENT
	COMMUNITY FORUM #1, PRESENTATION EXCERPT –	
G	HERMAN KIEFER UPDATE & NAC, MARCH 9, 2017	ATTACHMENT
Н	CBO NAC MEETING #1, PRESENTATION, APRIL 5, 2017	ATTACHMENT
1	CBO NAC MEETING #2, PRESENTATION, APRIL 18, 2017	ATTACHMENT
J	CBO NAC MEETING #3, PRESENTATION, MAY 3, 2017	ATTACHMENT
	CBO NAC LIST "Community Demands from Herman Kiefer	
K	Developer", MAY 11, 2017	ATTACHMENT
	CBO NAC LIST "List of Concerns – City of Detroit and or	
L	Developer", MAY 17, 2017	ATTACHMENT



Herman Kiefer

Neighborhood Advisory Council / May 3, 2017 Joseph Walker Williams Recreation Center

MAY 3, 2017 NAC MEETING AGENDA

```
5:30-5:40 Introductions & General Announcements
5:40-5:45 Upcoming schedule of development activities
5:45-6:00 Review of Herman Kiefer Development's tax incentives
6:00-6:15 Review of Draft Community Benefits Matrix
6:15-6:30 Open Discussion
6:30-6:40 Closing - Next steps City Council Hearing April
```

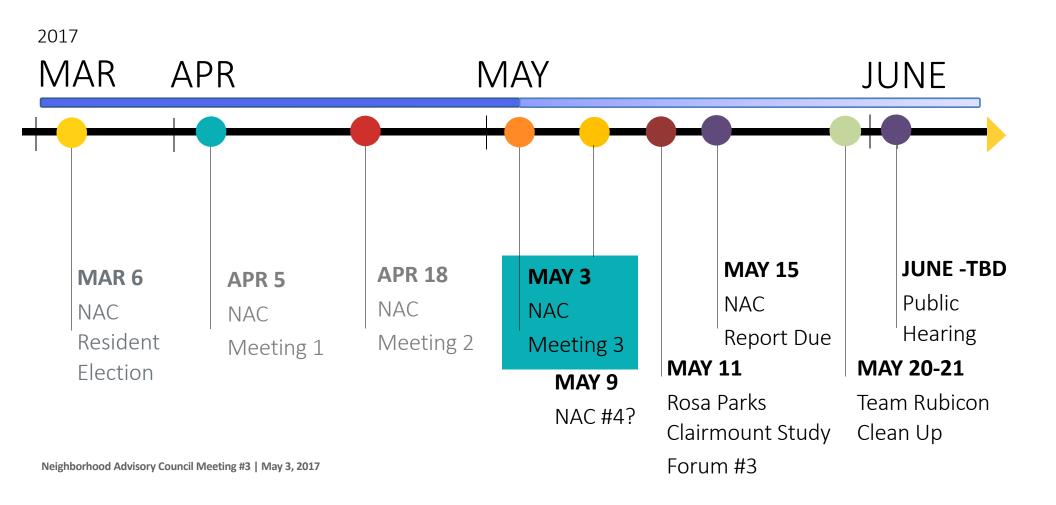
Next NAC Meeting: TBD

The Herman Kiefer Neighborhood Advisory Council

THE NAC CONSISTS OF 9 MEMBERS, SELECTED AS FOLLOWS:

- 2 selected by residents George Adams, Kathy Blake
- 4 selected by the City of Detroit Planning and Development Department Renee Gunn, Lorenzo Jones, Raymond Thomas, Marquisha Booker
- 2 selected by the At-Large Council Members Marquita Reese, Sharon Calmese
- 1 selected by the local District Council Member (Council Member Sheffield) Dr. Armstrong

Neighborhood Advisory Council Schedule





Impact Area



Neighborhood Advisory Council Meeting #3 | May 3, 2017

Herman Kiefer Proposed Activity Timeline - 2017

April

- Brownfield + OPRA request
- Neighborhood board ups
- Local workforce building
- Hutchins secured

May

- Community meeting
- Team Rubicon Neighborhood cleanup + training

June

- Summer community event
- Brownfield & OPRA Approval Council
- Closing

July

Neighborhood board ups

August

Community meeting

October

Skate park opening

November

Community meeting

December

Hotel opening

Herman Kiefer Project Terms & Requirements

- \$925,000 acquisition price for HK site
- After closing of HK site (expected summer 2017), Developer required to:
 - Board all DLBA vacant homes and maintain all DLBA vacant lots in HK neighborhood;
 - Secure and activate HK site, invest a minimum of \$1 million per year in site during years 1-5 and \$2 million per year during years 6-8;
 - Invest at least \$20 million in HK site by year 5 or activate 35% of site;
 - Invest at least \$75 million in HK site by year 8 or activate 80% of site; and
 - Rehab vacant DLBA homes within 3 years and implement a land stewardship plan in coordination with the City in HK neighborhood
- 20% of rehabbed DLBA homes must be developed by or in partnership with community partners







Herman Kiefer Development Tax Incentives

What is the DBRA?



The Detroit Brownfield Redevelopment Authority (DBRA)

- Is an authority providing financial incentives on behalf of the City to revitalize underdeveloped or underutilized properties due to abandonment or environmental contamination
- Is governed by its 9 member Board of Directors.
- Board is assisted by its Community Advisory Committee (CAC)

The Detroit Economic Growth Corporation (DEGC)

Provides the DBRA with staff assistance to implement the DBRA's project development plans within the City of Detroit



Michigan Public Act 381 of 1996



Public Act 381 allows the DBRA to use Tax Increment Financing (TIF) capture to reimburse for both environmental and non environmental eligible activities conducted on an eligible property as part of an approved Brownfield redevelopment plan.

Odd Fellows Hall Before



Odd Fellows Hall After



Eligible Property



In order for property to be included in a Brownfield plan, the property must qualify as one of the following:

- Contaminated: defined as a facility per Part 201 of NREPA.
- Blighted: the property is a public nuisance, an attractive nuisance to children, a fire hazard, has had utilities permanently disconnected, is tax reverted, is under control of a land bank, or has subsurface debris on site, as determined by City Council.
- Functionally Obsolete: the property cannot be used adequately to perform the function for which it was intended to, as designated by a Level III or Level IV Assessor.
- Historic Resource: a historic building or structure located within a historic district designated by the national register of historic places, the state register of historic sites or a local unit.
- Targeted Redevelopment Area (TRA): not less than 40 and not more than 500 contiguous parcels as approved by City Council resolution and by the Michigan Strategic Fund, not more than two TRA's approved annually in each qualified local governmental unit, no more than five approved annually statewide.

The Ellington



annualy statewide Neighborhood Advisory Council Meeting #3 | May 3, 2017

Non Environmental Eligible Activities



Michigan Strategic Fund (MSF) eligible activities that qualify for reimbursement include:

- Demolition: whole or partial building, interior and site demolition.
- Lead and Asbestos Abatement: including the cost of a Lead or Asbestos Study.
- Infrastructure Improvements: generally must be publically owned and/or operated such as roads, sidewalks, curbs, gutters and water, storm and sanitary mains. Also includes underground and multi-level parking and low-impact design urban storm water management systems, whether they are publically or privately owned and operated.
- Site Preparation: includes geotechnical engineering, temporary site control, excavation of unstable materials, and relocation of active utilities.
- Additional Activities: interest on eligible activity expenses, Brownfield plan and work plan or combined Brownfield/work plan expenses.

3408 Woodward



Environmental Eligible Activities



Michigan Department of Environmental Quality (MDEQ) eligible activities that qualify for reimbursement include:

- Phase I and Phase II Environmental Site Assessments
- Baseline Environmental Site Assessment
- Due Care Activities
- Additional Response Activities
- Additional Activities: interest on eligible activity expenses, Brownfield plan and work plan or combined Brownfield/work plan expenses.

Studio One Apartments



How Does TIF Work?



Tax Increment Financing (TIF) is a tool that allows the DBRA to reimburse a developer for eligible activity costs as part of an approved Brownfield redevelopment plan. TIF works by capturing the taxes (less the debt millages) on the incremental increase of the taxable value of a property as a result of the improvements made to the property. The TIF capture is then reimbursed to the developer for actual eligible activity costs.

1001 Woodward



How is a Brownfield Plan Approved?



Brownfield plan approval steps include the following:

- Initial meeting with DBRA Staff to provide Brownfield plan details.
- Meet and/or consult with MSF Staff for Brownfield plans that include non environmental eligible activities and with MDEQ Staff for Brownfield plans that include environmental eligible activities.
- Submit and present the Brownfield plan to the DBRA Board of Directors and the DBRA Community Advisory Committee (DBRA-CAC).
- Public hearing in the Brownfield plan location.
- Present results of the DBRA-CAC meeting and the local public hearing to the DBRA Board of Directors. DBRA Board vote to send the Brownfield plan to Detroit City Council.
- Public hearing at the Detroit City Council Planning and Economic Development Standing Committee.
- Detroit City Council Brownfield plan approval.
- MSF work plan approval for school TIF capture on non environmental eligible activities.
- MDEQ work plan approval for school TIF capture on environmental eligible activities.
- PA 381 allows for a separate Brownfield plan and work plan approval or a combined Brownfield plan (and work plan) approval.

Broderick Tower



Obsolete Property Rehabilitation Act

PA 146 of 2000 as amended

Provides a reduction in the amount of property taxes that a developer will pay on commercial and commercial housing properties that are being rehabilitated. Properties must meet eligibility requirements including a statement of obsolescence by the local assessor.

Benefit	Pre-improved taxable value is frozen. Owner pays full amount of taxes on frozen value. Improvements are taxed at a reduced rate of 24 mills (school millages)
Duration	Up to 12 years
Abatement Agreement	Requires an Abatement Agreement between the City of Detroit and the developer.
Project and Operation and Commencement Requirements	Construction must be completed within two years of receiving the Obsolete Property Rehabilitation Certificate (District approval not included in construction timeline.
Revocation	The Agreement allows the city to revoke the abatement certificate if the

owner fails to complete the rehabilitation in the allotted timeframe.

Provision



DiscussionConcerns and Strategies

Hiring and Employment

Community Concern	Response
Will there be employment opportunities for local residents associated with building the skate park, boarding homes, and other aspects of the development project?	Yes, by focusing on commercial development, the development plan is focused on creating as many job opportunities in the neighborhood as possible. In the Development Agreement, the Developer is obligated to work with the City to create job opportunities for local residents, both including construction jobs for projects like the skate park, as well as permanent jobs associated with tenants that will be brought on site. The Developer is also obligated to abide by the City's Executive Orders that promote job opportunities for Detroit residents and contractors.

Activation & Stabilization of Vacant Properties

Community Concern	Response
Why was a skatepark chosen as the first project? What about other uses that the community would like to see on site (community theater, flag football, etc.)	The Developer is obligated by the Development Agreement to begin activating the site immediately upon closing and bringing buildings back into use throughout the term of the project. The skate park is a temporary use that will help activate the now vacant and stripped Hutchins school building. It is being done in collaboration with a successful local community organization already operating in Detroit. In addition to this, the Developer would like to activate the Hutchins school site and the rest of the buildings with additional uses like those proposed by the community. The Developer will be looking for other operating partners and potential tenants interested in the site to help fulfill their activation obligations and plans to use the community engagement process to generate more ideas for programming from neighborhood residents.

Activation & Stabilization of Vacant Properties

Community Concern	Response
Will the project help promote neighborhood stabilization and are there any resources available for current residents?	The Developer is obligated to board up vacant DLBA homes and clear vacant DLBA lots in the neighborhood once the deal closes. The Developer will create a neighborhood land stewardship and housing rehabilitation strategy in coordination with PDD and HRD. The Developer is also working with a non-profit group, Team Rubicon to provide some assistance for private homeowners in the neighborhood that need help with their homes. The City will be working with the Developer to leverage the existing 0% Home Loan Program, foreclosure prevention resources, and other assistance programs to support current residents.

Activation & Stabilization of Vacant Properties

Community	Response	
Concern		
Will the project impact	To promote local ownership, the City and DLBA are encouraging all local residents to purchase their side lots, the lots directly adjacent to the home they occupy, and will continue to make these lots available during the planning process.	
opportunities for local residents to purchase property in the area?	To promote neighborhood stabilization and revitalization, instead of selling individual homes or vacant land in the area, the City and DLBA are working with the community and the Developer to create a holistic housing revitalization and vacant land stewardship plan. Under an option agreement with the DLBA, the Developer is obligated to board-up and secure the vacant DLBA homes in the neighborhood and maintain the vacant lots and will be responsible for implementing the housing and land stewardship plans. Under the option agreement, at least 20% of the homes rehabbed must be done by or in partnership with a community partner.	
	Developing the vacant land stewardship plan will also help the City and DLBA create parameters related to any potential land sales and responsibilities for property maintenance. This will ensure that land sale decisions are transparent and fair for all residents and that the land can be used to promote the public good and neighborhood goals: open and recreational space accessible to all, the reintroduction of needed housing and commercial amenities, green stormwater infrastructure, etc.	

Communication & Information

Community Concern	Response
informed of the	The development agreement associated with the project has been distributed to the NAC. Project details, including the list of properties associated with the development agreement, are included in the document.

Quality of Life

Community Concern	Response
Will housing in the neighborhood remain affordable. Will there be public housing, tax credit housing, or rent-to-own programs?	rehabilitation strategy for the neighborhood. All parties involved are dedicated to making sure that housing options for a range of incomes will be available in the neighborhood and that the planning initiatives support and are beneficial to current residents. More

Quality of Life

Community Concern	Response
How will the development be protected? Will the dump site behind Hutchins be cleaned up? Will the alleys be cleaned to deter criminals?	Once the deal closes, the Developer will be obligated to take over security of the Herman Kiefer site and to expand security to the Hutchins and Crosman school buildings. They will also be obligated to clean and clear any trash and debris along with activating the site with programming and events. Within 90 days of closing the Developer is obligated to board and secure all of the vacant homes owned by the DLBA and maintain all the vacant DLBA-owned lots in the neighborhood.

Quality of Life

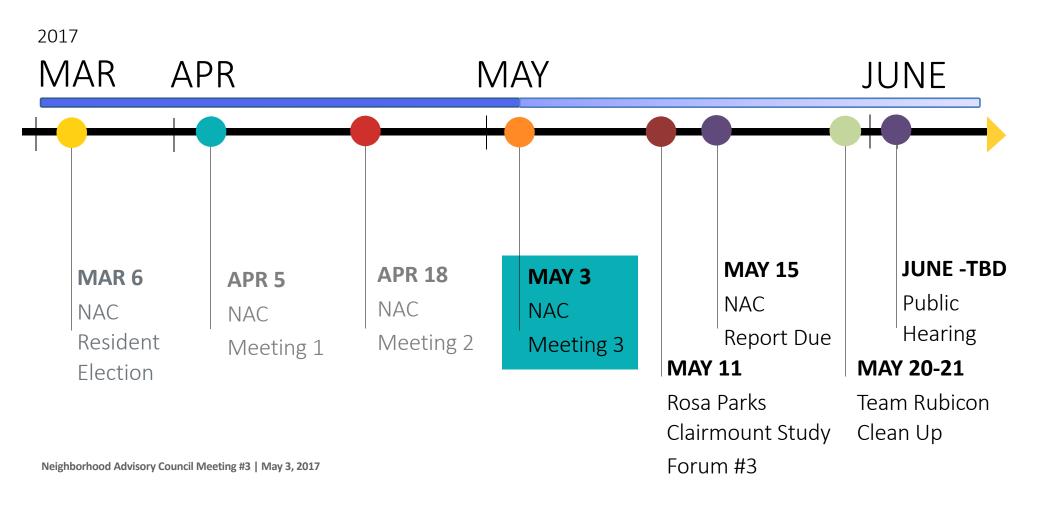
Community Concern	Response
As a property owner, how much more am I going to have to pay in taxes?	Due to state law, property taxes for current residents are capped at the lower of either 5% or the rate of inflation. (The Headlee Amendment and Proposal A)

Quality of Life

Community Concern	Response
Can there be some incentive for landlords that are in the area so that they don't have to raise their rents? Can they also get incentives for their properties?	The City currently has the 0% home loan program that is available to homeowners. Both the City and Developer are interested in better understanding the challenges current homeowners in the neighborhood are facing and how current resources can be best leveraged to address these challenges.

Neighborhood Advisory Council Meeting #3 | May 3, 2017

Neighborhood Advisory Council Schedule





COME JOIN US!

The City of Detroit has launched planning efforts for residents in the Rosa Parks Clairmount area: Herman Kiefer, Piery Hill, and Virginia Park. We are identifying investments, improvements, and priority projects that we can mobilize towards construction to strengthen the area's identity and vibrancy.

We want to hear from you about opportunities for vacant lot revitalization, neighborhood identity and branding, development, housing, commercial corridors, historic buildings, streetscapes and landscapes.

The City invites you to help develop community priorities and identify neighborhood Thursday
May 11, 2017
5:30pm - 7:30pm
Light refreshments will be provided.

Joseph Walker Williams Center 8431 Rosa Parks Blvd Detroit, MI 48206



MARCH - APRIL 6 JUNE 22 Join us to talk about:

HOW THINGS ARE NOW WHERE DO WE WANT TO GO?

WHERE DO WE

LET'S GET STARTED

Do you have a great story about the Rosa Parks/ Clairmount Community?

We'd like to hear about your hopes and/or vision for your neighborhood and what is most important to you about its future. Up to four residents or business owners will be selected to tell a 5-minute story on May 11, 2017 as part of the Rosa Parks/ Clairmount Community Forum.

Visit RPC/stories.com or complete the fier available at the Joseph Walker Williams Community Center Studio Space (Ind floor - across from Room 204).

Mark your Calendar!

Community Forum #3 May 11, 2017

APPENDIX			
	COMMUNITY BENEFITS ORDINANCE, DETROIT LEGAL		
Α	NEWS, NOVEMBER 29, 2016	ATTACHMENT	
В	OBSOLETE PROPERTY REHABILITATION ACT	ATTACHMENT	
С	CBO MAP, CENSUS TRACT AND IMPACT ZONE	ATTACHMENT	
D	PROJECT DESCRIPTION TO CITY COUNCIL, APRIL 25, 2017	ATTACHMENT	
E	CBO PUBLIC NOTICE – FEBRUARY 27, 2017	ATTACHMENT	
F	COMMUNITY FORUM #1, FLIER, MARCH 9, 2017	ATTACHMENT	
	COMMUNITY FORUM #1, PRESENTATION EXCERPT –		
G	HERMAN KIEFER UPDATE & NAC, MARCH 9, 2017	ATTACHMENT	
Н	CBO NAC MEETING #1, PRESENTATION, APRIL 5, 2017	ATTACHMENT	
1	CBO NAC MEETING #2, PRESENTATION, APRIL 18, 2017	ATTACHMENT	
J	CBO NAC MEETING #3, PRESENTATION, MAY 3, 2017	ATTACHMENT	
	CBO NAC LIST "Community Demands from Herman Kiefer		
K	Developer", MAY 11, 2017	ATTACHMENT	
	CBO NAC LIST "List of Concerns – City of Detroit and or		
L	Developer", MAY 17, 2017	ATTACHMENT	

COMMUNITY DEMANDS FROM HERMAN KIEFER DEVELOPER

The Hennan Kieler Neighborhood Advisory Committee has participated in several meetings l'imagriour March 2017-May 2017 in an effect to identify the concerns of community members in the impact area. and demands that the community would like to include in the development contract to address these concerns. The following is a draft of the terrized list of demands that NAC has created to address the concerns of the community members within the impact area.

- 1. 30% A.M.I. Standard Income (\$20,000 inclusive of \$25,000) a year.
- 2. Landscape of Properties be maintained weekly and beautification of lots and commercial/home structures.
- 3. Change colors of Boundary Color Lines from Red and Yellow which are historically offensive to minority people.
- 4 No Skate Park
- 5. Revive: Hotchins field, Gymnasium, Community Access to Auditorium
- 5. Skills Trade and Re-entry Training
- 7. Funding for a New Voc-Technological Academy program run by residents
- Construction or Refurbinhment of Arts and Cultural Center
- No warkable tourist destinations on Clairmount Street. Only rahab of homes in the affected Study Area., i.e. as projected by the model set for the R+ D (H.K.) VISION
- 10. Missonly and Women owned business at 51%
- 11. First offer of jobs and contracts to Minority and Women owned Businesses established now and in the future from the impacted area
- 12 First offer of all area jobs connected with the Herman Kiefer Project to Impact
- 13. Youth Summer Employment for residents in the Impact Area
- 1.6. Assistance in beautification and renovation of pre-existing residential homes
- 15. Urban Development Boundary Authority
- 16. Construction or Refurbishment of Community Spaces for Wrestling. inside/outside soccer, hockey, T-ball/soft ball, swimming, gotting greens, tennes,
- 17. Security patrol & lighting- Elther Public or private(NO Wayne State Linevestry)

APPENDIX			
	COMMUNITY BENEFITS ORDINANCE, DETROIT LEGAL		
Α	NEWS, NOVEMBER 29, 2016	ATTACHMENT	
В	OBSOLETE PROPERTY REHABILITATION ACT	ATTACHMENT	
С	CBO MAP, CENSUS TRACT AND IMPACT ZONE	ATTACHMENT	
D	PROJECT DESCRIPTION TO CITY COUNCIL, APRIL 25, 2017	ATTACHMENT	
Е	CBO PUBLIC NOTICE – FEBRUARY 27, 2017	ATTACHMENT	
F	COMMUNITY FORUM #1, FLIER, MARCH 9, 2017	ATTACHMENT	
	COMMUNITY FORUM #1, PRESENTATION EXCERPT –		
G	HERMAN KIEFER UPDATE & NAC, MARCH 9, 2017	ATTACHMENT	
Н	CBO NAC MEETING #1, PRESENTATION, APRIL 5, 2017	ATTACHMENT	
1	CBO NAC MEETING #2, PRESENTATION, APRIL 18, 2017	ATTACHMENT	
J	CBO NAC MEETING #3, PRESENTATION, MAY 3, 2017	ATTACHMENT	
	CBO NAC LIST "Community Demands from Herman Kiefer		
K	Developer", MAY 11, 2017	ATTACHMENT	
	CBO NAC LIST "List of Concerns – City of Detroit and or	_	
L	Developer", MAY 17, 2017	ATTACHMENT	

From: George Adams Jr <georgeadamsjris@gmail.com>

To: Dan Rieden <riedenda@detroitmi.gov>

CC: George Adams Jr <georgeadamsjris@gmail.com>, Kathy Blake <kathyblake27@g...

Date: 5/17/2017 6:16 AM

Subject: Herman Kiefer NAC List of Concerns **Attachments:** List of Concerns for Developer.doc

Good Morning Dan,

Attached you will find a list of concerns received from the community. Let me know if you have any questions regarding this list. Also, could you forward the current timeline that we are following? (Next NAC meeting, When is report due? When is City Council review? etc.)

Thanks

George

List of Concerns- City of Detroit and or Developer

- *30% A.M.I. Standard Income (\$20,000 inclusive of \$25,000) a year.
- *First offer of all area jobs connected with the Herman Kiefer Project to impact are for residents.
- *Landscape of Properties be maintained weekly and beautification of lots and commercial/home structures.
- *First offer of jobs and contracts to Minority and Women owned Businesses established now and in the future from the impacted area.
- *Change colors of Boundary Color Lines from Red and Yellow which are historically offensive to minority people.
- *Skate Park relocate onto H.K. grounds
- *Revive: Hutchins field, Gymnasium, Access to Auditorium (live shows)
- *Skills Trade and Re-entry Training
- *Creation of a New Voc-Technological Academy program by residents
- *Arts and Cultural Centers
- *No walkable tourist destinations on Clairmount Street only rehab of homes in the affected Study Area., i.e. as projected by the model set for the R+ D (H.K). vision
- *Women and Minority owned business at 51%
- *Youth Summer Employment for residents in the Impacted Area
- *Assistance in beautification and renovation of pre-existing residential homes (165) in the impact area.
- *Urban Development Boundary Authority
- *Wrestling, inside/outside soccer, hockey, T-ball/soft ball, swimming, golfing greens, tennis, rugby, crickets
- *Security patrol and lighting from Detroit Public or private NO Wayne State University Police
- *Entrepreneurial training/classes and opportunities for retail space (TED)
- *On top of the 20% mentioned in the Developers write up, resident request an additional 20% of structure and land occupancy, i.e. Homestead that allows for affordable housing attached to land or close to in the amount of .3 to 1 acre to be farmed on for fruits, vegetables, (animals), etc. for the next 20 years will option of renewal.
- *Transparency- Monthly or quarterly progress reports, Community
- *Meetings and NAC meetings. A combination of all with the city, developer, council etc.
- *Living Wage Jobs- and the offer of affordable insurance (plus hold family)
- *Child Care Facility, Head Start for current residents
- *Property Tax freeze in impact area for the duration of the project.
- *Commitment from city that Nuisance and Abatement violations for property owners in the impact area would receive resources and flexible times to make repairs. Case by Case basis.

- *Report any and all tax revenue lost to tax abatements.
- *Permanent Pocket Parks, Pop up events/markets/displays
- *Year-around, Multi-purpose, first floor space in one or more of the buildings on the Herman Kiefer property on Taylor St. inclusive of Joseph Walker Williams Center with space for 40 to 100 people (children/adult events)
- *Active security made available within 1 year and as long as there are community programs whether they are non-city funded or volunteer or 501-3c etc.
- *Hutchins to serve as a co-lab and academies like Tech Town.
- *Earned rights to purchase adjacent lots and lots next to adjacent lots that have been maintained over 5 years by residents
- *Freeze Taxes at 2017 rates for the next 50 years, compensation for over payment of insurances, services, utilities and lack aid i.e. Homesteads, Zones, Abatements, etc.
- *Environmental analysis results
- *Escrow account for repairs, replacement, construction, relocation within boundary area
- *Restore and reset baseball field, repair basketball court add tennis court at Hutchins
- *Sanders elementary field turned into an event shell. Name it after Barry Sanders add family park